

AN EXAMINATION OF DARK SIDE BEHAVIOUR IN BUSINESS-TO-BUSINESS RELATIONSHIPS

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For my amazing parents, Eben and Lehana.

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The thesis was called *An Examination of Dark side Behaviour in Business-to-business Relationships* and this was submitted in fulfilment of the degree, Master of Commerce (Business Management: Strategic Management and Innovation).

Yours faithfully

Sonja Bräsler

ABSTRACT

Companies often invest a substantial amount of time and resources in building and maintaining business relationships with key stakeholders. Although, these efforts usually result in strengthening relations between partners, it is not enough to ensure continuous relationship functionality and desirability. Recently, researchers and managers alike have begun to realise that reducing the impact of negative (or dark side) elements inherent to business relationships can have a significant effect on relationship success and performance. Despite the growth of studies investigating the dark side of business relationships over the last decade, little insight has been offered in terms of how and why dark side behaviour surfaces. Hence, this study focuses on exploring the onset of dark side behaviour in business-to-business relationships by investigating identified antecedents (i.e. trust, shared values, opportunistic behaviour, and uncertainty), behavioural outcomes (i.e. conflict, power, dependence, and commitment), and symptoms (relational myopia, complacency, vulnerability, and suspicion).

To test the conceptual model, data was collected from key account managers and other top-level executives who possess knowledge and experience regarding their company's business relationships with other partnering organisations. A survey of the target population yielded a realised sample of N=212, and the data was analysed using SPSS and PLS-SEM in order to generate descriptive and inferential statistics, respectively.

The findings suggest that some antecedents of dark side behaviour (especially trust, shared values and opportunistic behaviour) can lead to certain negative behavioural outcomes. While the data showed no relationship between dysfunctional conflict and any of the symptoms associated with the dark side of business relationships, significant relationships were found between the identified behavioural outcomes (i.e. functional conflict, non-coercive power, coercive power, dependence, and commitment) and symptoms of dark side behaviour. This study can, thus, explain the onset of dark side behaviour in business relationships to some extent – even though it possesses some research limitations. These limitations, along with future research recommendations, refer to the sampling procedure, the need to explore alternative conceptual models, the possibility of conducting longitudinal research, and the opportunity to assess additional moderating and mediating variables.

This study aspires to contribute to current literature by broadening the understanding of dark side behaviour in business relationships. Practical implications, on the other hand, include providing managers and executives with the knowledge and insight to identify and accordingly reduce dark side behaviour in their business relationships. The originality of the current study resides in the examination of novel relationships between known relational variables, as well

as the investigation of underexplored variables (i.e. symptoms) indicating that a business relationship may not be as functional as it once was.

Keywords: Business-to-business management, dark side relationship behaviour, relationship marketing, shared values, trust, opportunistic behaviour, uncertainty, conflict, power, dependence, commitment, relational myopia, complacency, vulnerability, suspicion

ABSTRAK

Maatskappye belê dikwels 'n aansienlike hoeveelheid tyd en hulpbronne in die vestiging en instandhouding van sakeverhoudings met sleutel belanghebbendes. Alhoewel hierdie pogings gewoonlik lei tot die versterking van verhoudings tussen firmas, is dit egter nie genoeg om deurlopende verhouding funksionaliteit en wenslikheid te verseker nie. Beide besigheidsbestuurnavorsers en maatskappybestuurders het onlangs begin besef dat die vermindering van die impak van negatiewe (of donker) elemente in verhoudings 'n aansienlike uitwerking op verhoudingsukses en -prestasie kan hê. Ten spyte van die toename in studies wat die donkerkant van sakeverhoudinge ondersoek, is daar nog min insig gegenereer in terme van hoe en waarom donkerkant gedrag ontstaan. Hierdie studie fokus dus daarop om die aanvang van donkerkant gedrag in sakeverhoudings te verduidelik deur geïdentifiseerde bronne (vertroue, gemeenskaplike waardes, opportunistiese gedrag en onsekerheid), gedragsuitkomst (konflik, mag, afhanklikheid en toewyding) en simptome (verhoudingskortsigtigheid, alvoldaanheid, kwesbaarheid en verdagsaamheid) te ondersoek.

Om die konseptuele model te toets, is data ingesamel van rekeningbestuurders, asook ander topvlak werknemendes wat kennis en ervaring het aangaande hul maatskappy se besigheidsverhoudings met ander organisasies. Die data is ingesamel van die teikenbevolking deur middel van 'n vraelys. 'n Werkende steekproef van $N=212$ is verkry en die data is geanaliseer deur middel van SPSS en PLS-SEM om beskrywende en inferentiële statistiek te genereer.

Die resultate dui daarop dat sommige bronne van donkerkant gedrag (veral vertroue, gemeenskaplike waardes en opportunistiese gedrag) tot sekere negatiewe gedragsuitkomst kan lei. Terwyl die data aandui dat geen verhouding is tussen disfunksionele konflik en enige van die donkerkant simptome nie, dui die resultate wel aan dat daar beduidende verhoudings is tussen meeste van die geïdentifiseerde gedragsuitkomst (d.w.s. funksionele konflik, nie-koerierkrag, koeratiewe krag, afhanklikheid en toewyding) en simptome van donkerkant gedrag. Hierdie studie kan dus die aanvang van donkerkant gedrag in sakeverhoudinge tot 'n mate verduidelik – alhoewel dit oor navorsingsbeperkings beskik. Hierdie beperkings hou verband met die steekprosedure, die ondersoek van alternatiewe konseptuele modelle, die moontlikheid om longitudinale navorsing te doen, asook die geleentheid om addisionele modererende en bemiddelende veranderlikes te bestudeer.

Hierdie studie streef daarna om tot huidige literatuur by te dra deur die begrip van donkerkant gedrag in sakeverhoudings te verbreed. Praktiese implikasies, aan die ander kant, sluit die voorsiening van kennis en insig aan bestuurders in om sodoende donkerkant gedrag in hul

sakeverhoudings te kan identifiseer en op 'n gepasde wyse te kan verminder. Die oorspronklikheid van hierdie studie is ten vonde in die ondersoek van nuwe verhoudings tussen bekende verhoudingsveranderlikes, asook die bestudering van onderverkende veranderlikes (d.w.s. simptome) wat aandui dat 'n besigheidsverhouding dalk nie meer so funksioneel is soos dit eens was nie.

Sleutelwoorde: Besigheid-tot-besigheid bestuur, donkerkant verhoudingsgedrag, verhoudingsbemarking, gemeenskaplike waardes, vertrouwe, opportunistiese gedrag, onsekerheid, konflik, mag, afhanklikheid, toewyding, verhoudingskortsigtigheid, alvoldaanheid, kwesbaarheid, verdagsaamheid

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That is the best of all things we can do for one another: Make the dark small.”

- Dean Koontz, Brother Odd

CHAPTER 1: OVERVIEW

1.1 INTRODUCTION

For decades, business relationships between firms have been compared to personal relationships. Just like personal relationships (i.e. marriages), business partnerships do not only comprise of positive elements, but they also have a negative side. To illustrate the complexity of interfirm relations, the marriage metaphor has been widely used to describe business-to-business relationships throughout literature (e.g. Celuch, Bantham & Kasouf, 2006; Dywer, Schurr & Oh, 1987; Tynan, 1997). The marriage analogy has continued to be used throughout several studies over the years (e.g. Doherty & Alexander, 2004; Grönroos, 2004; Haenlein & Kaplan, 2010; Morgan & Hunt, 1994; O'Malley & Prothero, 2004; O'Malley & Tynan, 2000; Palmer, 2000; Sheth & Paratiyar, 1995; Watson & Johnson, 2010). Not suggesting that the institution of marriage only entail negative aspects, the metaphor particularly emphasises that business relationships also experience difficult times, and that the behaviour of involved parties can sometimes have detrimental consequences for the relationship.

Abosag, Yen and Barns (2016) claim that companies often invest a substantial amount of time and resources into building and maintaining relationships with desirable business partners. These efforts usually have a positive impact in terms of increased trust, greater commitment and effective collaboration (Chung, Wang, Huang & Yang, 2016). However, several authors (e.g. Anderson & Jap, 2005; Hibbard, Kumar & Stern, 2001; Villena, Revilla & Choi, 2011) acknowledge that only investing in the positive aspects of business relationships is not enough to ensure the achievement of desired goals. Baumeister, Bratslavsky, Finkenauer and Vohs (2001) suggest that reducing the impact of negative elements in business relationships may have a greater influence on relationship success and performance than investing solely in positive aspects. With a growing interest in the darker side of business relationships, many authors have started to examine negative relational elements in order to determine why typically good-functioning relationships often become inefficient, unfunctional and, ultimately, undesirable (Abosag *et al.*, 2016). The term “dark side” has gained popularity in management sciences when referring to the negative aspects of a phenomenon and for the purpose of this study it is employed purely as a collective name – without referring to any degree or severity of a situation. However, despite increased research attention, only a few studies have devoted research purely to exploring the manifestation of dark side behaviour in business relationships (Abosag *et al.*, 2016). Therefore, the current study aspires to contribute to the growing body of knowledge

concerning this dark side phenomenon by investigating identified antecedents, behavioural outcomes and symptoms of the dark side of business relationships.

The first chapter serves primarily as an overview of this study and it only includes pivotal information concerning the relevant literature and research design. A more thorough discussion of each section is included in the proceeding chapters.

1.2 BACKGROUND TO STUDY

Kenichi Ohmae once said that, “Companies are beginning to learn what nations have always known: in a complex, uncertain world filled with dangerous opponents, it is best not to go it alone” (Williams, Han & Qualls, 1998:135). There are numerous reasons why interfirm partnerships are considered important in today’s business world, many of which involve financial and operational benefits. Webster (1992) predicted that business relationships would become increasingly perceived as a strategic resource, much like other resources (i.e. products and technology), ultimately resulting in increased profits because of competitive advantages acquired through interfirm cooperation. Business relationships can help firms to manoeuvre better through competitive landscapes, as well as enhance their financial and non-financial performance. However, the establishment and development of a partnership between firms is often considered complex as it requires individual parties to contribute time, effort and resources. Thus, business partnerships, and the dynamic between partners, must be continuously monitored and managed in order to ensure the relationship remains prosperous and desirable (Abosag *et al.*, 2016).

According to Lin, Lee and Lee (2005), the forming of strong business relationships characterised by trust and commitment, can result in informational, transactional and strategic benefits for the parties involved. For example, Ulaga (2003) suggests that strong business relationships between a company and its partners (i.e. suppliers, buyers, service providers, collaborators, etc.) can enhance internal operations and, ultimately, profitability. Other authors (e.g. Payan, Padín & Ferro, 2019; Soosay, Hyland & Ferrer, 2008; Zuzel & Zabkar, 2006) emphasise that cooperation and collaboration in a partnership can result in the development of dynamic capabilities that can enhance the performance of firms within a market. Although it is evident that there are numerous benefits associated with interfirm relationships, Turnball, Ford and Cunningham (1996:58) maintain that “there are no nice neat stages” in relationship evolution and that detrimental elements can emerge if the partnership is not managed correctly. Abosag *et al.* (2016) suggest that the notion of dark side behaviour is often associated with

these negative relationship attributes and can relate to “problems”, “challenges”, “difficulties” and “drawbacks” with regard to structural issues that exist in business relationships. Anderson and Jap (2005) broadly define this dark side of business relationships as a phenomenon in which potentially dangerous forces reside beneath the surface of seemingly well-functioning business relationships that, if given the conditions to manifest, can damage the partnership. In order to explore the manifestation of dark side behaviour, this study identifies and investigates relevant antecedents, behavioural outcomes and symptoms regarding the dark side of business relationships. Drawing from Morgan and Hunt’s (1994) Commitment-Trust Theory, as well as other pivotal studies by Johnsen and Lacoste (2016) and Ting et al. (2007), potential antecedents (i.e., trust, shared values, opportunistic behaviour, and uncertainty) and behavioural outcomes (conflict, power, dependence, and commitment) were identified and adopted. Additionally, based on Baker’s (2009) conceptual model that investigates the dark side of close business partnerships, relevant symptoms of dark side behaviour (i.e., relational myopia, complacency, vulnerability, and suspicion) were selected and examined in the current study. These variables are briefly discussed in the proceeding section.

1.2.1 Antecedents of dark side behaviour

Abosag et al. (2016) claim that it is important for firms to understand the root cause of dark side behaviour in order to effectively reduce and manage its appearance in business relationships. Drawing from existing literature, the current study identified trust, shared values, opportunistic behaviour and uncertainty as possible antecedents of dark side behaviour. These aforementioned elements all entail particular qualities that can possibly result in the outcome of certain behaviours and attitudes that might, consequently, cause the relationship to fall victim to intolerable dark side tendencies (Abosag *et al.*, 2016).

Trust

Trust is one of the most frequently cited concepts in business relationship literature and has been defined as a firm’s belief that the other party within the relationship will perform actions that will result in positive outcomes, and that the other party will also not take unexpected actions that would lead to negative consequences for the firm (Anderson & Narus, 1990; Tomkins, 2001). Trust is usually described as something beneficial to all concerned – something that is inherently good (Skinner, Dietz & Weibel, 2014). Several authors (e.g. Anderson & Narus, 1990; Dowell, Morrison & Heffernan, 2015; Huang & Wilkinson, 2013;

Jiang, Henneberg & Naudé, 2011; Morgan & Hunt, 1994) maintain that trust is a key dimension in business relationships which can influence parties' behaviour and attitudes. As trust can influence how a partner is perceived by another, as well as how they ultimately behave within a relationship, this study identifies trust as a potential antecedent. In other words, trust can influence the behaviour of parties within a partnership (Morgan & Hunt, 1994), which can, in turn, affect the functionality of the relationship.

Trust has also been defined as a complex multi-dimensional construct (Brashear, Boles, Bellenger & Brooks, 2003; Johnson & Grayson, 2005; Miyamoto & Rexha, 2004) and is often conceptualized as having three dimensions, namely cognitive, affective and behavioural. While cognitive (performance-based) trust addresses contractual and competence aspects, the affective dimension is more emotion-driven and emphasises aspects pertaining to goodwill (Sako, 1992). In this study, cognitive and affective trust is defined in a manner that is consistent with the basic notions of cognition and affect as stipulated in relationship marketing literature (Johnson & Grayson, 2005). The third component of trust, behavioural trust, constitutes actions that flow from a state of cognitive and affective trust (Lewis & Weigert, 1985), and is therefore treated implicitly as the consequence of cognitive and affective trust (Johnson & Grayson, 2005).

Shared values

Throughout various disciplines, from psychology to organisational behaviour, shared values have been linked to the concept of culture (Baker, 2009). In the area of marketing management, Deshpande and Webster (1989) define organisational culture as “the pattern of shared values and beliefs that helps people understand organisational functioning and thus provides norms for appropriate organisational behaviour”. Molla and Bhalla (2006) explain that organisations impose different values and beliefs (also known as culture) on their business partners – which defines both expected and accepted behaviour modes, working relationships and communication patterns. Schein (1990) suggests that shared values and beliefs are fundamental in defining organisational culture and can reflect the cultural orientation of firms and their relationships. Because shared values provides what many believe to be the best measure of organisational fit in business relationships (Caldwell & O'Reilly, 1990; Chatman, 1991), it has become a variable of great interest to organizational research, especially concerning trust and commitment (Chatman, 1991). In their commitment-trust theory of relationship marketing, Morgan and Hunt (1994) posited shared values as the only concept that is a direct precursor of both relationship commitment and trust. Similar to Molla and Bhalla's (2006) inference about

values and beliefs, Morgan and Hunt (1994:25) define shared values as “the extent to which partners have beliefs in common about what behaviours, goals, and policies are important or unimportant, appropriate or inappropriate, and right or wrong”. Hence, it is likely that shared values can contribute to the development of commitment and trust between business partners (Dwyer *et al.*, 1987). In this study, shared values is adopted as a possible antecedent of dark side behaviour due to its capacity to influence the organisational fit between business partners and the dynamism of the relationship.

Opportunistic behaviour

Opportunism often involves the pursuit of self-interest with guile – with guile referring to “lying, stealing, cheating and calculated efforts to mislead, distort, disguise, obfuscate or otherwise confuse” (Williamson, 1975:6). In a business-to-business context, several authors (e.g. Abosag *et al.*, 2016; Das & Rahman, 2015; Wathne & Heide, 2000) maintain that there are two main theories of firm governance from which opportunism emerges, namely the transaction cost economics (TCE) and social exchange theory (SET).

Drawing from the TCE theory, two assumptions are made which delineate that (1) parties are naturally inclined to act opportunistically and (2) firms are usually subject to bounded rationality (i.e. the limitation of knowledge) (Das & Rahman, 2015; Williamson, 1981). Williamson (1981) suggests that when parties are not in possession of all the facts and information, they are more prone to making lesser rational decisions. Thus, as all partnership agreements developed between firms are usually incomplete and cannot specify every contingency, opportunities for renegotiations might emerge in the future – along with alternative options (Provan & Skinner, 1989; Williamson, 1981). The lack of rational decision-making and the availability of alternative opportunities can consequently result in detrimental behaviours and attitudes which, in turn, might lead to the emergence of dark side behaviour in business relationships. The second theory that underlines the concept of opportunism is the social exchange theory (SET), which has been used as a basis to explain the relationship marketing theory and interfirm relationships (e.g. Das & Rahman, 2015; Dwyer *et al.*, 1987; Kingshott, 2006; Luo, 2002). SET suggests that there is an alternative and more efficient form of governance for relationships, and therefore it rejects the assumption of opportunism (Rahman, 2015). Heide and John (1992) argue that business parties involved in an exchange relationship tend to rely more on trust, commitment, cooperation, satisfaction, and other relational norms, than strictly on contractual agreements. According to SET, an exchange can

be viewed as a social behaviour that may result in both economic and social outcomes (Emerson, 1976). Thus, when a relationship produces positive social outcomes that enhances its government and performance, opportunistic behaviour might be less likely to occur. Luo (2006) argues that opportunism may affect the development of relational norms as well as decrease the level of trust and commitment within a relationship. Because of the ability of opportunism to result in detrimental behaviours and attitudes that can damage the continuity and efficiency of a relationship, opportunistic behaviour is identified as a potential antecedent of dark side behaviour.

Uncertainty

Abosag et al. (2016) claim that, once dark side behaviour begins to surface within business relationships, uncertainty can be considered a possible reason to explain its emergence. The negative impact of uncertainty has been well documented throughout the literature (e.g. Geyskens, Steenkamp & Kumar, 1998) and can be defined as the inability to attach probability to different states of the nature of outcomes (Ting *et al.*, 2007). The current study adopts Eriksson and Sharma's (2003) definition of uncertainty which defines it as the gap between expected and actual future outcomes, 6characteriz how limited information amongst parties can affect their ability to make decisions. Furthermore, uncertainty is also considered to be either subjective or objective (Eriksson & Sharma, 2003). It is, however, difficult to treat uncertainty with complete objectivity (March & Shapira, 1987) and because of this, the current study explores uncertainty according to the perceptions of parties within a business relationship (Eriksson & Sharma, 2003).

The arguments that delineate uncertainty as an element of dark side behaviour are drawn from a structural model presented by Eriksson and Sharma (2003), in which they distinguish between contextual uncertainty, relationship uncertainty and decision-making uncertainty. Although popular relationship marketing research focuses primarily on relationship uncertainty, it is suggested that the influence of contextual uncertainty and decision-making uncertainty should also be considered (Eriksson & Sharma, 2003). Relationship uncertainty is affected by both contextual uncertainty and decision-making uncertainty due to the unpredictability and complexity of external environments and decisions regarding organizational operations (Eriksson & Sharma, 2003). This study proposes that if a business relationship is 6characterized by uncertainty, dark side behaviour could eventually arise (Abosag *et al.*, 2016) and damage typically good-functioning relationships.

1.2.2 Dark side behavioural outcomes

The Oxford English Dictionary defines behaviour as “the way in which one acts or conducts oneself, especially towards others” (Oxford English Dictionary, 2005:40). When firms exhibit certain behaviours and attitudes (i.e. antecedents), consequential behavioural outcomes might occur that may influence the degree of dark side within a partnership (Abosag *et al.*, 2016). The abovementioned antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty) were identified as constructs that can potentially influence and shape the actions and reactions of parties that, in turn, can affect the direction and dynamism of the relationship. Based on the literature, this study identifies conflict (functional and dysfunctional), power (non-coercive and coercive), dependence and commitment as potentially behavioural outcomes of dark side behaviour. Several authors (e.g. Abosag *et al.*, 2015; Abosag *et al.*, 2016; Anderson & Jap, 2005; Baker, 2009; Lund *et al.*, 2015) maintain that these behavioural outcomes can result in intense detrimental behaviours and attitudes that can cause severe damage to relational bonds.

Conflict

Conflict is commonly described as tension that exists between social entities due to real or perceived differences (Raven & Kruglanski, 1970) and it is generally considered an inevitable part of relationships (Stern & El-Ansary, 1992). In terms of business relationships, IMP literature defines conflict as “a measure of differences between partners over the direction of the relationship or involving their respective contributions and benefits” (Johnsen & Lacoste, 2016:78). Several authors (e.g. Frazier, 1999; Skarmas, 2006; Thomas, 1992) recognise conflict as one of the major constructs used in describing channel relationships since it addresses the incompatibility of activities between parties. However, Skarmas (2006) and Zhou *et al.* (2007) suggest that conflict can be perceived as either a positive or a negative relational force depending on (1) the particular relationship under scrutiny, (2) the distribution of power among parties, and (3) whether the conflict classifies as functional or dysfunctional.

Functional conflict usually refers to differences in opinions regarding tasks, procedures, strategy, business ideas and other business-related issues that tend to be openly discussed and resolved, and as result facilitates the strengthening of the relationship (Pfajfar, Shoham, Brencic, Koufopoulos, Katsikeas & Mitrega, 2017; Skarmas, 2006). In contrast, dysfunctional conflict refers to strong disagreements, underlying emotions, and negative actions (e.g. attacks, clashes and sarcasm) that create frustration and hostility among parties (Pfajfar *et al.*, 2017).

This study includes functional and dysfunctional conflict in its investigation of the dark side of business relationships in order to obtain a comprehensive understanding of how conflict contributes to detrimental behaviour that forces partnerships into the intolerable dark side.

Power

Power within the area of relationship marketing literature has received irregular and contrasting treatment from various researchers (e.g. Hingley, 2005; Meehan & Wright, 2012; Wang, Huo, Tian & Hua, 2015). Among those who recognise the concept of power as “alien” to the effective workings of business relationships, Hingley (2005) identifies power as negating in terms of co-operation in situations where success is determined through principles of co-operation and trust. However, the negative view surrounding power is not deemed universal. An opposing perspective comes from a number of authors (e.g. Earp, Harrison & Hunter, 1999; Kalafatis, 2000; Svensson, 2001) who emphasise that not all business relationships result in mutual benefit as they are not necessarily characterised by an equal distribution of power, nor do they always have to be. This study investigates the role of power, especially the imbalance of power, in the onset of the dark side of business relationships and accordingly adopts Emerson’s (1962:32) definition which defines power as “the ability of an actor to influence another to act in the manner that they would not have otherwise”.

Furthermore, Heide and John (1988) recognise power as a two-way interaction between parties engaged in a relationship. This countervailing bi-directional dynamic is considered central to all power analyses (Meehan & Wright, 2012). Several authors (e.g. French, Raven & Cartwright, 1959; Maloni & Benton, 2000; Zhao, Huo, Flynn & Yeung, 2008) identify two dimensions of power, namely non-coercive power and coercive power. Whereas non-coercive power is a mechanism that references or mediates positive consequences for compliance, coercive power can be defined as a mechanism for gaining party compliance that references and mediates negative consequences for noncompliance (Gundlach & Cadotte, 1994). The current study identifies coercive and non-coercive power as potential behavioural outcomes that occur due to antecedents that influence relationship dynamics. Both these dimensions are explored in a business-to-business context in order to determine how power can result in the appearance of dark side symptoms.

Dependence

The notion of power as the obverse of dependence can be traced back to the works of Emerson (1962) and Blau (1964). Gaski (1984) elaborates on the relation between power and dependence by identifying them as conceptually inseparable. Several authors, however, oppose Gaski's work by differentiating between these concepts. They argue that power emphasises a firm's resource control, as well as its behavioural influence over a counterparty (Caniëls & Roeleveld, 2009; Kumar, 2005; Pfeffer & Salancik, 2003), whereas dependence focuses on the importance for a party to achieve their desired goals that could be deemed superior to alternative options (Buchanan, 1992; Emerson, 1962; Schmitz, Schweiger & Daft, 2016). This study thus perceives power and dependence as separate concepts, adopting Frazier's (1983) definition which defines dependence within business relationships as an organization's need to maintain a relationship in order to achieve desired goals.

Anderson and Narus (1990) link the presence of dependence to relationship configurations in which one party is more superior and the potential relationship outcomes more representative of the independent party's goals. The understanding of dependence can be explained by two streams of thought, namely the transaction cost approach and resources dependency theory. Firstly, the transaction cost approach argues that increased switching costs can create a bonding effect between parties (Rindfleisch & Heide, 1997). Secondly, the resource dependency theory emphasises an organization's need to rely on other parties in order to achieve their desired goals (Pfeffer & Salancik, 2003). Hence, if a business relationship is characterised by asymmetric dependence, where one party needs to rely on a counterparty's contribution in order to pursue its own goals, opportunistic behaviour can potentially manifest (Schmitz *et al.*, 2016). For instance, if parties are not mutually dependent, a superior party driven by self-interest can influence an inferior party to pursue goals that are not mutually beneficial.

The literature regarding sources that lead to dependence have attracted attention in the past due to its foothold in the transaction cost approach and resource dependency theory (Hillman, Withers & Collins, 2009). Schmitz *et al.* (2016) identify and group sources that lead to dependence as relational sources, partner-inherent sources and market-related sources. Relational sources refer to reasons underlying the partnership between parties within a business relationship (Casciaro & Piskorski, 2005; Laaksonen, Pajunen & Kulmala, 2008). Partner-inherent dependence sources comprise of particular capabilities, or knowledge, along with access to resources linked to a specific party (Laaksonen *et al.*, 2008). Lastly, market-related sources refer to the lack of alternative options or sources within the market to replace incumbent

parties (Handley & Benton, 2012; Harrison, Beatty, Reynolds & Noble, 2012). Because of the nature of these sources – especially relational sources – and the impact it has on the functionality of business relationships, the current study adopts dependence as a behavioural outcome that may damage relational bonds between firms.

Commitment

Rylander, Strutton and Pelton (1997) define commitment as the enduring desire to develop and maintain relationships characterised by implicit and explicit pledges and sacrifices for the long-term benefit of all parties involved. In other words, commitment can be perceived as a party's intention to continue a relationship (Anderson & Weitz, 1992).

Commitment often plays an important role in cooperative partnerships (Morgan & Hunt, 1994), as well as the achievement of relationship objectives (Hofenk, Schipper, Semeijn & Gelderman, 2011). Several studies (e.g. Cox, Sanderson & Watson, 2001; Jokela & Soderman, 2017; Morgan & Hunt, 1994) have found that commitment can influence relationship efficiency and desirability in terms of favourable cost savings, flexibility and risk-sharing. Business relationships characterised by commitment can often experience beneficial outcomes such as cooperation (Mazzola, Bruccoleri & Perrone, 2015), along with the creation of new sources of value and growth (Brady, Davies & Gann, 2005; Mouzas, 2006). Anderson and Narus (1990) initially identified commitment as a positive relationship driver as it is considered a critical bonding mechanism that contributes to the potential longevity of a relationship. However, Baker (2009) argues that excessive levels of commitment can also cause partners to “blindly” invest in the development and maintenance of a relationship – regardless of its desirability and efficiency. Business partners may over time become increasingly focused on the “good feelings” associated with commitment and, as result, neglect critically assessing their relationships (Baker, 2009). Thus, the current study identifies commitment as a possible behavioural outcome of dark side behaviour that develops due to particular factors inherent to relationships and which can subsequently affect the dynamics of a partnership.

1.2.3 Symptoms of dark side behaviour

Baker (2009) suggests that several “symptoms” of dark side behaviour may appear in business relationships, indicating that the partnership between firms have become characterised by

intolerable levels of detrimental elements (i.e. behavioural outcomes). The current study explores relational myopia, complacency, suspicion and vulnerability as symptoms of dark side behaviour, as these constructs have the capacity to negatively affect the functionality of business partnerships (Baker, 2009). Not only could these symptoms damage business operations and vital relational bonds between partnering firms, but they also serve as indicators that the relationship is no longer as efficient and desirable as it once was.

Relational myopia

The term myopia, also known as near-sightedness or short-sightedness, was initially used in the field of ophthalmology to describe an eye condition in which visual images come into focus in front of the retina (Saw, Katz, Schein, Chew & Chan, 1996). The focusing of light in front of retina, instead of on it, causes defective vision by making distant objects appear blurry and closer ones normal (Saw *et al.*, 1996). “Myopia” and “myopic” however are used beyond the boundaries of ophthalmology in a variety of disciplines ranging from business management to psychology. These terms have appeared in several studies (e.g. Baker, 2009; Lavery, 2004; Leavitt, 1960; Johnston, 2009; Richard, Womack & Allaway, 1992) as metaphorical devices in order to explain cognitive thinking and decision making that is narrow in scope, or lacking foresight in terms of wider interests and long-term consequences. In other words, “myopia” is often used to describe decisions that may be beneficial in the present, but detrimental in the future, as well as viewpoints that fail to consider anything outside a narrow and limited range (Levinthal & March, 1993). As this study focuses on the dark side of business partnerships, myopia will be addressed as a dark side symptom that influences the efficiency and desirability of a relationship. Baker (2009) explains that relational myopia occurs when focal parties embrace a too narrow perspective regarding their relationship, its dynamics and how it should be governed as it manoeuvres through the business environment. It is implied that parties possessing different perspectives regarding the relationship, and the environment in which it operates, are in a better position to identify critical problems and opportunities within and outside the relationship (Baker, 2009). However, as no business relationship is the same, the manner in which relational myopia manifests can differ from scenario to scenario and therefore it is important to consider the impact of various types. The current study suggests that the combination of time orientation and relationship conformity, as possible dimensions of relational myopia, can assist in the identification of four potential scenarios or types of relational myopia, namely: classic myopia, competitive myopia, efficiency myopia and the non-myopic relationship.

Complacency

Andy Grove, the renowned Hungarian-American businessman and founder of Intel once said: “Success breeds complacency. Complacency breeds failure. Only the paranoid survive” (Grove, 1996). Complacency has received little research attention in the field of business relationship management, mostly due to it being such a difficult negative relational construct to observe in comparison to others such as unfairness, conflict and opportunism (Lund, Kozlenkova & Palmatier, 2015). Friend and Johnson (2017) claim that the complexity pertaining to complacency is grounded within it being “a mental state of being” that, by definition, possesses the potential to “blind” parties from detecting threatening situations and behaviour. Firms often don’t realise they have become complacent in their relationship until, as a result, detrimental issues arise (e.g. one party intentionally, or unintentionally, takes advantage of its partner due to a misperception of what is acceptable behaviour in their relationship) (Lund *et al.*, 2015). Therefore, complacency can be considered a threat to all interpersonal and business relationships due to its ability to produce misguided perceptions and intentions (Chowdhury & Lang, 1996; Friend & Johnson, 2017; Lund *et al.*, 2015).

One of the most problematic aspects of complacency for business relationships is that it usually occurs in strong relationships, where strong feelings of trust, commitment and satisfaction often result in parties becoming too comfortable in their partnership, as well as overconfident in one another’s competence and behaviours (Lund *et al.*, 2015). It is exactly these positive feelings that allow complacency to manifest over time (Haytko, 2004), and why complacent behaviour can be threaten to good-functioning relationships (Baker, 2009). In the current study, complacency is defined as the satisfaction or self-satisfaction accompanied by the unawareness of dangers and deficiencies (Chowdhury & Lang, 1996). Complacency may include feelings of satisfaction and the unwillingness, or inability, to recognise the need for change in business relationships (Baker, 2009). Theoretical justification for the onset of complacency can be drawn from the behavioural theory of the firm (Baker, 2009), which argues that a firm’s success often results in “programmed” and structured responses (Lund *et al.*, 2015). This standardised reaction firms might have is consistent with Cyert and March’s (1963) generalisations that imply parties incorporate specific biases in their assessment of their relationships that favour past successes. Additionally, Lund *et al.* (2015) justify the association between complacency and the behavioural theory of the firm by inferring that complacency may arise due to a number of interpersonal and organisational factors that dictate how parties act and react in their relationships. Baker (2009), consequently, argues that complacency should be considered a

symptom of dark side behaviour as it reduces the desirability of business relationships over time. Hence, when a relationship becomes characterised by a complacent culture and standardised systems, it is conceivable that parties might begin to explore alternatives to increase efficiency and productivity.

Vulnerability

When business partners allow themselves to become committed to one another as their relationship progresses, a situation may occur in which these parties might experience increased vulnerability (Baker, 2009). Svensson (2004) defines vulnerability as the gap between a party's perceived dependence and perceived trust with regards to their business partner. The first part of this definition emphasises that perceived dependence can affect a party's perception of vulnerability (Svensson, 2004). For example, Baker (2009) suggests that when a relationship is characterised by high levels of dependence, the extent to which involved parties feel vulnerable is most likely to be elevated as well. The second part of Svensson's (2004) definition implies that the level of perceived trust in a relationship can also influence the degree of vulnerability, as trust has the capacity to affect the strength of a partnership. In other words, the gap between perceived dependence and perceived trust is often assumed to have an impact on the perceived vulnerability in business-to-business relationships.

To conceptualise vulnerability as a symptom of dark side behaviour in business partnerships, the current study adopts Svensson's (2004) definition, along with that of Attridge, Berscheid and Sprecher (1998) in referring to vulnerability as a party's concerns regarding the continuance of a relationship and its partner's future provision of need satisfaction. When a firm feels vulnerable to opportunistic behaviour from its business partner, relationship uncertainty usually increases and trust decreases (Baker, 2009; Svensson, 2004). These consequences associated with vulnerability can lead to negative behaviours and attitudes regarding the relationship and its partners – which, in turn, may ultimately result in ending the relationship or reducing the perceived desirability of the partnership (Baker, 2009).

Suspicion

Atkinson and Butcher (2003) commented that competing perspectives and personal motivation can conspire to render even the most innocent of acts subject to scrutiny. In no realm is this

more applicable than in the context of business relationships where even the passive or innocuous actions of one party might ignite the first sparks of suspicion in another (Hunter, Gassenheimer & Siguaw, 2011).

Relationship marketing literature often characterises interfirm relationships as ubiquitously opportunistic (Wathne & Heide, 2000), suggesting that suspicion is and will always be interwoven in the fabric of business relationships. Even though only a limited amount of studies focus on the phenomenon of suspicion within business relationships, an underlying and recurring theme has been identified, indicating that “the mere suspicion of opportunism is sufficient to damage, even destroy, a relationship regardless of whether the suspicion is factually justified” (Jap, 2001:25). In a business-to-business context, Hunter et al. (2011) refer to suspicion as a dynamic, cognitively effortful state in which one organisation, because of uncertainty as to whether another party may be concealing harmful or opportunistic intentions, engages in active and thoughtful consideration of these motives and plausible explanations potentially underlying the other organisation’s behaviour.

Based on the aforementioned definition, it is conceivable to delineate suspicion as derived from two key relationship marketing constructs, namely opportunism and trust (Hunter *et al.*, 2011). Firstly, suspicion, rather than being a motive or a behaviour as found with opportunism, exists as a state in which the perceiver entertains the notion that its business partner may be behaving opportunistically (Hunter *et al.*, 2011). It is this potential association between suspicion and negative opportunism that characterises suspicion as a symptom of dark side behaviour (Baker, 2009). Secondly, several authors suggest that trust is linked to suspicion (Hunter *et al.*, 2011; Morgan & Hunt, 1994; Narayandas & Rangan, 2004; Baker, 2009). Fein (1996) argues that suspicion does not necessarily generate an overly cynical mindset, but rather a mindset characterised by neither trust nor distrust. In other words, when partners are suspicious of one another, there is usually increased uncertainty as to the motivations underlying the behaviour of involved parties (Hunter *et al.*, 2011). Suspicion is thus identified as a potential symptom of dark side behaviour because of its capacity to influence the dynamics of a relationship, as well as its perceived desirability, functionality and efficiency.

1.3 PROBLEM STATEMENT

Organisations often invest a substantial amount of time and resources in building and maintaining a business relationship with key stakeholders (Abosag, Yen & Barnes, 2016). These efforts usually have a positive impact in terms of increased trust, greater commitment

and effective collaboration (Chung, Wang, Huang & Yang, 2016). However, investing only in the positive components of a partnership is not enough to ensure the achievement of desired goals (Anderson & Jap, 2005; Hibbard, Kumar & Stern, 2001; Villena, Revilla & Choi, 2011). Baumeister, Bratslavsky, Finkenauer and Vohs (2001) suggest that reducing the impact of negative (dark side) elements inherent to business relationships can have a greater effect on relationship success and performance – even more so than investing in positive aspects.

Over the past decade, the term “dark side” in reference to business relationships has been increasingly used in academic discourse. Despite the growth of studies investigating dark side behaviour in business management literature, certain avenues remain unexplored. Several authors (e.g. Abosag *et al.*, 2016; Chowdhury, Gruber & Zolkiewski, 2016; Frow *et al.*, 2011; Schmitz *et al.*, 2016; Oliveira & Lumineau, 2019; Leszczyński & Zieliński, 2019; Abosag *et al.*, 2020; Nguyen, Jaber & Simkin, 2020; Villena, Choi & Revilla, E, 2020) maintain that relatively little critique have been offered regarding the antecedents of dark side behaviour and its manifestation (i.e. outcomes) in business relationships. Thus, a theoretical gap persists in literature pertaining the factors that play a role in the darkening of seemingly well-functioning relationships. Although, several studies (e.g. Abosag *et al.*, 2016; Baker, 2009; Villena *et al.*, 2011) examine the onset of dark side behaviour in interfirm relationships, a gap in the literature remains as a holistic model, which includes various relationship drivers, has yet to be researched. Abosag *et al.* (2016) argue that, managing the dark side of business relationships effectively, can potentially have a greater effect on achieving inter-organizational success than focusing on the positive side of business relationships. In other words, by identifying what causes dark side behaviour to surface within a partnership, managers and executives can implement precautionary measures to ensure the proper management and reduction of detrimental attitudes and behaviours in order to prevent intolerable levels of negative relational elements. However, in order to manage this dark side of business relationships accurately, contributing factors must first be identified. More specifically, it is important to understand (1) what can potentially trigger the onset of dark side behaviour, (2) how it manifests, and (3) what is the consequential impact on the relationship. The identification of what causes dark side behaviour, as well as how it forms and impacts the relationship, can equip managers with insights and competence to manage their business relations in such a way that it minimises the dark side (Oliveira & Lumineau, 2019; Abosag *et al.*, 2020; Schmitz *et al.*, 2016). The current study, therefore, explores the onset of dark side behaviour in business-to-business relationships by identifying possible antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty), behavioural outcomes (i.e. conflict, power, dependence and commitment) and symptoms (i.e.

relational myopia, complacency, vulnerability and suspicion), as well as the potential associations between them. Correspondingly, the current study strives to provide answers to the following research question:

RQ: How does typically good-functioning business relationships to become characterised by dark side business behaviour?

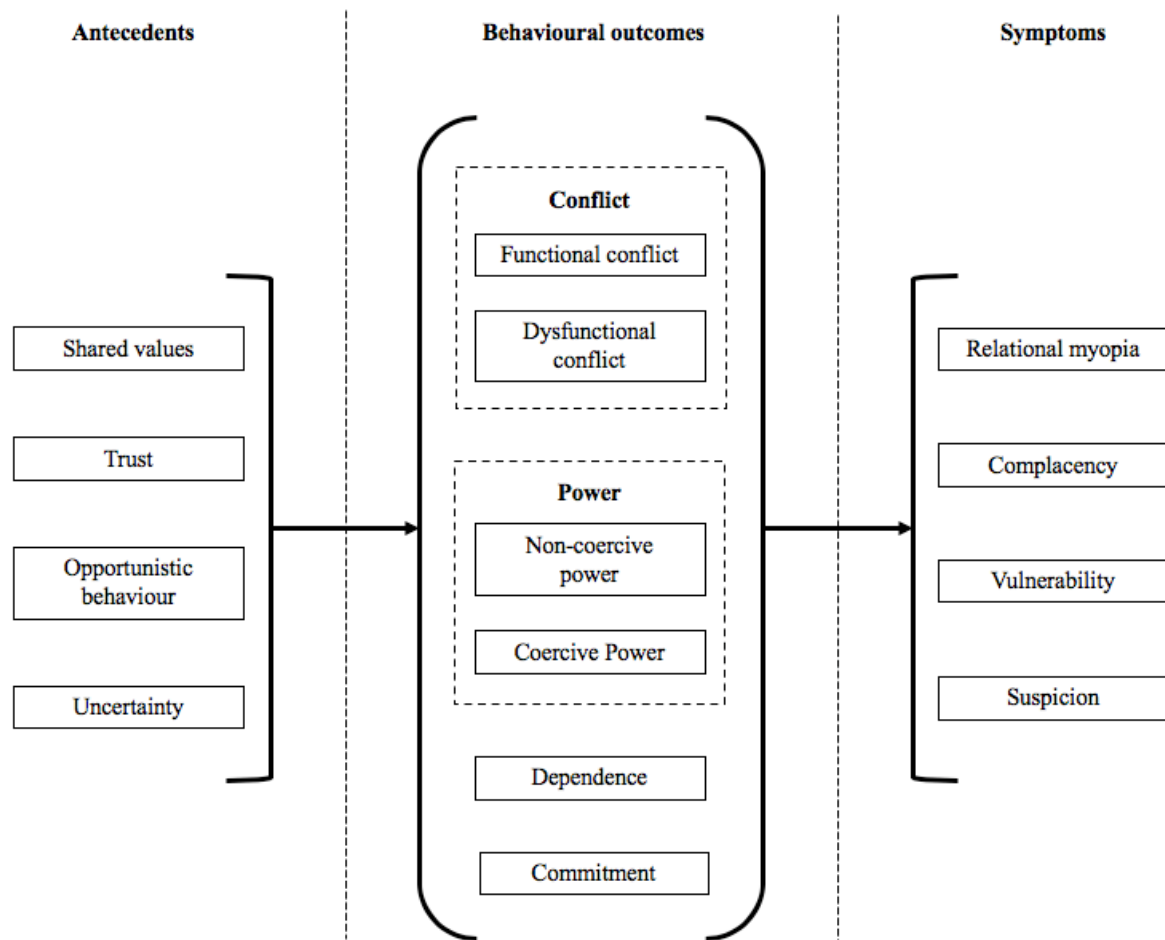
The proposed theoretical framework (see Figure 1.1) aspires to explain the onset of dark side behaviour in business partnerships.

1.4 RESEARCH OBJECTIVES

Present literature on dark side behaviour in business-to-business relationships expresses a lack of research attention regarding the onset of the phenomenon, how it manifests as well as the consequences associated with the dark side of business partnerships (Baker, 2009; Villena et al., 2011; Chowdhury et al., 2016; Schmitz *et al.*, 2016; Abosag et al. 2016; Abosag et al., 2020; Nguyen et al., 2020). The current study investigates the relationship between selected antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty), behavioural outcomes (i.e. conflict, power, dependence and commitment) and dark side symptoms (i.e. relational myopia, complacency, suspicion and vulnerability). Accordingly, the primary research objectives include the following:

- To investigate the relationship between certain antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty) and behavioural outcomes (i.e. conflict, power, dependence and commitment) of the dark side of business relationships.
- To investigate the relationship between the abovementioned behavioural outcomes and symptoms of dark side behaviour (relational myopia, complacency, suspicion and vulnerability).

Figure 1.1 Conceptual model of dark side behaviour in business relationships



Source: Adapted from Baker (2009); Morgan & Hunt (1994); Johnsen & Lacoste (2016); Ting *et al.* (2007)

1.5 RESEARCH METHODOLOGY

In this section a brief overview of the research methodology for the current study is provided. Chapter 7 offers a more comprehensive discussion on the various facets of the research methodology employed to collect data and test the conceptual model. However, for the purpose of this chapter, only important key aspects concerning sampling, measurement development and data analysis are discussed in order to provide a general overview.

1.5.1 Sampling

According to Hair, Babin and Anderson (2010), during the process of conducting primary research, attention must be paid to the sampling design. Wiid and Diggines (2009) explain that the researcher must identify the individuals (respondents) participating in the study, select the most appropriate sampling methods, as well as calculate the sample size.

Population and sample frame

The population for this study comprises of individuals or groups in managerial positions, who are responsible for managing a firm's relationships with business partners such as suppliers, customers and buyers, service providers, collaborators, or any other organisation with whom they might do business. The population can thus be described as all business-to-business partnerships in the economy. Accordingly, the sample frame primarily includes key account managers as they are directly involved in the development and maintenance of business relationships with partner organisations. As the current study investigates the onset of dark side behaviour in business-to-business relationships, the sample comprises of respondents who understand, and possess relevant expertise and experience to answer questions regarding the dynamics pertaining to problematic business relationships. All respondents came from organisations located in South Africa, and no specific industry was examined. As the population of business-to-business research usually restricts the sample (Hair *et al.*, 2019), geographically convenient and no-industry-specific respondents were selected to participate in this study in order to ensure maximum accessibility.

Sampling method

Non-probability sampling methods were employed in the current study as it less expensive and increases the availability and accessibility of respondents (Zikmund *et al.*, 2013). Three non-probability sampling techniques were used to collect data from respondents, namely convenience sampling, judgement sampling and snowball sampling. Firstly, convenience sampling was employed with respondents who were selected based on their availability and willingness to take part in the research (Creswell & Creswell, 2018). Secondly, judgement sampling was used as this study required the researcher to use judgement to select who to ask to participate (Honigmann, 2003). For example, previously identified, or acquainted, key account managers or business executives were contacted and asked specifically to take part in

the research. Lastly, snowball sampling, commonly used in social sciences when investigating hard-to-reach groups, was adopted and respondents were asked to further nominate other appropriate subjects known to them (Zikmund *et al.*, 2013).

Sample size

The sample size was calculated using an online A-priori sample size calculator for structural equation models (Soper, 2015). This calculator uses the number of observed and latent variables in a model, the anticipated effect size, and the desired probability and statistical power to determine the sample size required for a study that employs structural equation modelling (Soper, 2015). As result, the calculator generates both the minimum sample size required to detect the specific effect, as well as the minimum sample size required given the structural complexity of the model (Soper, 2015). After calculation, three results were produced: a minimum sample size of 2219 to detect the specific effect; a minimum sample size for model structure of 114; and a recommended minimum sample size of 2219.

However, it would have been difficult to obtain this number of respondents due to the systematic limitations of the research, the personal limitations of the researcher, and the restrictive nature of the target population. Therefore, Tabachnick and Fidell's (1996) rule of thumb, which suggests that business-to-business research should entail a more realistic sample size of 200 to 400 respondents, was adopted for the current study.

1.5.2 Measurement development

The following section discusses the measurement instrument used to collect data, the development of measurement items, as well as the method of distribution of the instrument. For this study, paper-based questionnaires (see Appendix A) were used to gather data from respondents. Scale items included in the questionnaire were adopted from previous research.

Measurement instrument

In survey research, questionnaires are regarded as the main instrument for collecting data and thus the current study used questionnaires to gather data from the target population. Several authors (e.g. Flowerdew & Martin, 2005; Trobia, 2016; Zikmund *et al.*, 2013) claim that questionnaires can be inexpensive, practical and simple to administer, and can reach a large

sample – which is especially beneficial in business-to-business research where the nature of the population often restricts the sample. Zikmund et al. (2013) also infer that questionnaires are often relatively easy and straight-forward to analyse due to the quantitative nature of survey research.

Furthermore, the questionnaire used in this study included two types of questions, namely open-ended and close-ended questions. The measurement items were formulated as statements to which respondents indicated their level of agreement based on a 7-point Likert scale (Trobia, 2016; Zikmund *et al.*, 2013). This aforementioned scale was anchored at 1 = strongly disagree, and 7 = strongly agree.

Measurement items

The measurement items used in the current study were adopted from existing literature. Firstly, most questions pertaining to demographic information were adopted from a study by Zaefarian et al. (2017), which focuses on firm and respondent characteristics. Respondents were also asked to think of a particular business relationship that has been problematic in the past, or is currently problematic, and to answer relevant questions. Secondly, scale items regarding model constructs were selected based on the results obtained in their respective studies, with the primary focus on exploratory and confirmatory factor analysis, as well as values pertaining to Cronbach's alpha and composite reliability. The majority of scale items included in the questionnaire obtained satisfactory scores concerning Cronbach's alpha and composite reliability. Thus, items with the highest reported scores were selected (see Chapter 7).

Method of distribution

For the purpose of the current study, it was decided that only paper-based questionnaires would be used to collect data. This decision to only distribute paper-based questionnaires was based on the nature of the target population and their preferred manner of response. Ebert, Huibers, Christensen and Christensen (2018) support the usage of paper-based questionnaires as their research suggested that, even though web-based questionnaires are more cost-effective, paper-based questionnaires (in some cases) still obtain higher response rates, and also contain less missing values.

1.5.3 Data analysis

The data analysis plan for the current study comprises of three phases, namely data capture, data cleaning and data analysis. First, upon the retrieval of questionnaires, responses were captured on a Microsoft Excel spreadsheet. Demographic information that entailed open-ended questions regarding firm and respondent characteristics were re-coded in order to transform the data into numeric values. Once the capturing of data was complete, the accuracy of the recoding was checked by a third party, and no errors were found.

Secondly, data was cleaned in Microsoft Excel. Data cleaning refers to the process of deleting and correcting (or removing) corrupt or inaccurate records from a record set, table or database (Dasu & Johnson, 2003). In other words, data cleaning usually entails the identification of incomplete, incorrect, inaccurate or irrelevant parts of data, which is then replaced, modified or deleted (Dasu & Johnson, 2003). In this phase, the dataset was screened for missing values and errors, and unsatisfactory responses were consequently removed or modified.

Lastly, after the dataset was captured and cleaned, the error-free data was imported to selected software platforms for data analysis. Descriptive statistics were obtained through the use of statistical package for the social science (SPSS) software (see IBM, 2009), while PLS-SEM software (see Hair *et al.*, 2019) was employed to conduct inferential analysis.

1.6 ETHICAL CONSIDERATIONS

The current research is classified as a low to medium risk study due to the nature of the respective measurement instrument and the identified population. This level of risk is assigned due to the nature of the questionnaires that were distributed to account managers and executives, which may have contained items that could cause slight discomfort among respondents. Account managers and executives were expected to answer questions regarding their business relationships and the dynamism between them and partnering firms. These questions covered various aspects of problematic business partnerships. However, in order to minimise, or remove, any discomfort for respondents during their participation in this research, certain precautions were taken. Firstly, respondents were provided with an overview of the current study which emphasised what is expected of them. It also stated that they can withdraw from the research at any time without any repercussions. Secondly, each respondent was given a consent form which they had to sign if they agreed to participate in this study. Lastly, risks were

also minimised by assuring respondents that all contributions are deemed anonymous, confidential and used solely for research purposes.

This study was also subjected to Stellenbosch University's ethical procedure and was reviewed by the Research Ethics Committee: Social Behavioural and Education Research (REC: SBE) in order to ensure that the dignity, rights, safety and well-being of respondents are safeguarded at all time during their participation in this research. To obtain ethical clearance for this study, the Research Ethics application process commenced within the Business Management department via the respective Departmental Ethics Screening Committee (DESC). The application was screened by DESC to determine the level of risk and was subsequently referred to the REC: SBE for final review at a convened meeting. The Research Ethics application for the current study was successful (project ID: 9965), allowing the data collection process to start.

1.7 ORGANISATION OF THE DISSERTATION

Chapter 1: Overview

Chapter 1 serves as an overview of the current study. In this chapter, only the important key aspects concerning the various facets of research is addressed – namely the literature study, problem statement and objectives, and research methodology.

Chapter 2: Defining the dark side of business relationships

Chapter 2 focuses on conceptualising the phenomenon of dark side behaviour in business relationships. In this chapter, dark side behaviour is defined in a business-to-business context and various conceptualisations are discussed in order to provide a clear definition of this dark side phenomenon. Additionally, types of dark side behaviour (i.e. traps and secrets) as well as a proposed spectrum of darkness, which distinguishes between the tolerable and intolerable dark side, are discussed.

Chapter 3: Antecedents of dark side behaviour

Chapter 3 addresses the literature on potential antecedents of dark side behaviour, namely trust, shared values, opportunistic behaviour and uncertainty. In this chapter, these constructs are examined and defined in a business-to-business context.

Chapter 4: Behavioural outcomes of dark side behaviour

In Chapter 4, the behavioural outcomes that might result due to identified antecedents of dark side behaviour are discussed. These behavioural outcomes include conflict, power, dependence and commitment – which can possibly result in even more severe behaviours and attitudes that can, in turn, damage relational bonds between parties.

Chapter 5: Symptoms of dark side behaviour

Chapter 5 explores the symptoms of dark side behaviour that ultimately result due to the selected behavioural outcomes. Based on Baker's (2009) recommendations, relational myopia, complacency, vulnerability and suspicion were selected as the symptoms that might indicate a that a relationship is no longer as desirable, functional or efficient as it once was. This chapter examines existing literature regarding each of these constructs.

Chapter 6: Theoretical framework of dark side behaviour in business relationships

In this chapter, the current study's theoretical framework for the dark side of business-to-business relationships is presented. Drawing from literature, it examines the associations between antecedents and behavioural outcomes, as well as the relationships between these outcomes and the symptoms of dark side behaviour. In addition, this chapter also includes the hypotheses derived from the theoretical model.

Chapter 7: Research methodology

Chapter 7 focuses on the research method followed in order to test the conceptual framework. This chapter addresses various aspects such as sampling, measurement instrument development, as well as the data analysis plan.

Chapter 8: Results

In Chapter 8, the empirical results are reported after the data analysis. This chapter continues with a discussion of the descriptive statistics and inferential statistics.

Chapter 9: Conclusions and implications

The final chapter focuses on discussing the results by drawing from literature and making inferences about the linkages between antecedents, behavioural outcomes and symptoms of the dark side of business relationships. Chapter 9 addresses the acceptance or rejection of hypotheses, and it also discusses the theoretical implications of each relationship in the conceptual model. Lastly, significant mediation effects reflected in the results are also reported and discussed.

1.8 SUMMARY

The use of the term ‘dark side’ in business management literature has been emphasised over the past decade due to the emergence of negative behaviour in business relationships (Abosag *et al.*, 2016). However, despite the growth of studies on dark side behaviour in a business-to-business context, little critique has been offered throughout literature (Abosag *et al.*, 2016). The current study therefore explores the relationship between dark side antecedents and possible behavioural outcomes of the negative side of business partnerships, as well as the association between these outcomes and symptoms of dark side behaviour. To investigate the relationships between constructs, survey research was employed to collect data from the target population. Questionnaires were distributed to managers and executives from South African organizations – who are in charge of managing relationships with partnering organisations (e.g. supplier, buyer or customer, service provider, collaborator, etc.) – across various industries. Upon retrieval of the questionnaires, data was cleaned, captured and analysed using SPSS and PLS-SEM. More specifically, descriptive statistics were generated through SPSS, while PLS-SEM was employed to generate inferential statistics, as well as to test the conceptual framework.

CHAPTER 2: DEFINING THE DARK SIDE OF BUSINESS RELATIONSHIPS

2.1 INTRODUCTION

In the same way that particular behaviours and attitudes can make or break interpersonal relationships such as a marriage, theoretical and empirical research from different business management studies suggest that business relationships may also entail mechanisms that can either improve or severely damage partnerships (Lund *et al.*, 2015). Firms often spend a significant amount of time and effort to build and maintain business relationships that offer valuable relational benefits. These efforts usually generate positive outcomes through increased trust, greater commitment and enhanced relationship cooperation (Abosag *et al.*, 2016). Subsequently, these positive outcomes often encourage business partners to develop reciprocal norms that improve relationship value creation through continuous learning, interaction, as well as the promotion of psychological closeness and reciprocity (Abosag *et al.*, 2016; De Wulf, Odekerke-Schroder & Iacobucci, 2001). It is because of this positive perception of inter-organisational partnerships that current management literature predominantly focuses on the “bright side” of business-to-business relationships.

However, a number of authors (e.g. Abosag *et al.*, 2016; Anderson & Jap, 2005; Barners, Naude & Michell, 2005; Blois, 2010; Fang, Chang & Peng, 2011; Hibbard, Kumar & Stern, 2001; Villena, Revilla & Choi, 2011) maintain that, in order ensure relationship success, it is not enough to only invest in positive relational elements – parties must also safeguard themselves against negative perceptions, actions and behaviours. Baumeister et al. (2001) suggest that the conscious reduction of negative impacts pertaining to the dark side can have a greater influence on business relations than merely focusing on the development of positive relationship drivers. Negative elements of business relationships have encouraged researchers in recent years to probe even further into the phenomenon of dark side behaviour. This increased attention to detrimental effects provide a valuable understanding for firms regarding the nature of business relationships and how they can proceed to successfully manage the dark side. The current study thus aspires to contribute to this growing body of knowledge concerning the dark side of business relationships by investigating the antecedents, behavioural outcomes and symptoms related to the phenomenon.

In this chapter, existing literature is examined to define the dark side of business-to-business relationships and explore how this phenomenon manifests in such relationships. However, in order to fully comprehend the impact of dark side behaviour, it is important to consider the

types of detrimental behaviour, as well as the extent to which it is present in relationships. Therefore, this chapter will address “traps” and “secrets” as types of dark side, explaining the different ways in which dark side behaviour can appear within business relationships. In addition, Abosag, Yen and Barnes’ (2016) spectrum of increased darkness is also examined in order to identify when the ever-present (unavoidable) dark side of business relationships transform into something intolerable and destructive. By understanding how and when the dark side manifests, firms can successfully manage and reduce negative relational elements.

2.2 DEFINING THE DARK SIDE: WHAT IS DARK?

Relationship marketing (RM) has received a considerable amount of research attention in both academic and business circles in recent years – especially in a business-to-business context (Palmatier, Dant, Grewal & Evans, 2006; Srinivasan & Moorman, 2005). This growing body of knowledge pertaining to business relationship management is warranted by the growing research attention to linkage between the adoption of an appropriate RM strategy and positive relationship outcomes. Several authors (e.g. Cannon & Homburg, 2001; Palmatier, Dant & Grewal, 2007; Rindfleisch & Moorman, 2001) have recognised the role of successful business-to-business relationships as an important contributor to a firm’s financial performance, as well as increased efficiencies, expanded markets, reduced costs and greater innovation (Cannon & Homburg, 2001; Palmatier *et al.*, 2007). Successful partnerships also offer other relational benefits such as increased commitment (Verhoef, Franses & Hoekstra, 2002), greater cooperation (Palmatier *et al.*, 2007), reduced opportunism (Ganesan, 1994) and greater satisfaction (Geykens, Steenkamp & Kumar, 1999). Hence, given these advantages associated with successful relationships, the growing academic and managerial interest regarding the establishment and maintenance of business relationships certainly seems merited. However, regardless of the “bright side” of interfirm relationships, there is an emerging body of literature that suggests RM is not without a “dark side” (e.g. Grayson & Ambler, 1999; Hibbard, Kumar & Stern, 2001; Pressey & Tzokas, 2004), and that it may even possess “the seeds to its own destruction” (Nasir, 2015:49). Dark side business behaviour can, for example, include the deterioration of relationship strength over time (Moorman *et al.*, 1992), relationship decline (Bennett, 1996) and unprofitability due to relational inertia, or relationship inefficiency (Haytko, 2004).

Despite the recent widespread use of the term “dark side” in business relationships, very little critique of the literature seems to be offered. Abosag *et al.* (2016) suggest that the notion of

“dark side” is often associated with “problems”, “challenges”, “difficulties” and “drawbacks” related to structural issues that exist in business relationships – such size differences, the imbalance of power, processes within business (e.g. creativity issues, capability development, changes in market dynamics, etc.), as well as outputs (e.g. performance, competitiveness and satisfaction). The term “dark side” first emerged in business management literature in the 1990s and several authors have contributed substantially to the theme well into the new century (e.g. Anderson & Jap, 2005; Barnes *et al.*, 2005; Grayson & Ambler, 1999; Hakansson & Snehota, 1995). Earlier studies did not use the term “dark side”, but rather referred to this phenomenon as a “negative side” that focused on related constructs (e.g. Gaski, 1984; Moorman *et al.*, 1992). Other terms that have been used in literature to explain dark side business behaviour include: relationship unrest (Good & Evans, 1998), relationship burdens (Hakansson & Snehota, 1998), relationship stress (Holmlund-Rytönen & Strandvik, 2005), relational misconduct (Hawkins, Wittman & Beyerlein, 2008), the adverse side of business relationships (Strandvik & Holmlund, 2008) and detrimental intentions (Liu, Liu & Li, 2014). Regardless of the term used, Anderson and Jap (2005) describe this “dark” phenomenon as potentially dangerous forces residing beneath the surface of seemingly stable business relationships which, if given the conditions to manifest, can affect and contradict typically good functioning relationships.

Of the limited number of relationship marketing studies that have attempted to investigate the onset of dark side business relationship behaviour, few are more cited than Moorman *et al.* (1992). In their research, these authors utilized a sample of market research users and marketing research providers for an empirical investigation of the role of trust between these knowledge users and knowledge providers (Moorman *et al.*, 1992). The results of Moorman, Zaltman and Desphande’s (1992) study showed that trust and perceived quality of interaction significantly contribute to research utilization, with trust having indirect effects through other relationship processes. Commitment and involvement, on the contrary, were found not to have much of an impact on the use of research provided by the research provider. It is suggested that business partners engaged in a long-term relationship may lose their ability to be objective of the partnership due to the blinding influence of trust (Moorman *et al.*, 1992). Thus, these authors argue that opportunistic behaviour can arise as a result of increased commitment and involvement. Even though Moorman *et al.* (1992) do not specifically address these behaviours and attitudes towards business relationships as a “dark side”, related literature (see Abosag *et al.*, 2016) has referred to this phenomenon, and specifically these behaviours and attitudes, as the dark side of business relationships.

Despite of their investigation of the value of trust in business relationships, Moorman et al. (1992) did not empirically examine the manifestation of dark side explicitly. Grayson and Ambler (1999) were essentially the first authors to provide an empirical piece of research regarding the dark side of business relationships. In their study of the dark side, these authors focused on the potential hazards pertaining to the implementation of a relationship marketing strategy, using Moorman, Zaltman and Desphande's (1992) work as an appropriate foundation for their research. Grayson and Ambler (1999) continued to investigate the onset of dark side behaviour in business relationships by using propositions included in the work of Moorman et al. (1992) in order to empirically investigate the link between relational constructs (e.g. trust and commitment) and the usage of market knowledge provided by the knowledge provider. It is suggested by Moorman et al. (1992) that firms become unable to objectively evaluate their exchange partners which, in turn, can result in the inability to detect dark side behaviours. Although Grayson and Ambler (1999) found evidence that suggest the effects of trust are reduced over time, they could not empirically prove the mediating effect of dark side constructs such as perceived opportunism, perceived loss of objectivity and increased expectations (Moorman *et al.*, 1992), on the relationship between trust and advertising rise.

In 2001, Hibbard, Brunel, Dant and Iacobucci further explored the phenomenon of dark side behaviour in business relationships by empirically researching the association between the relational constructs (e.g. trust, commitment, communication, shared values and mutual dependence) and relationship performance over time. Although these authors do not offer an explicit definition of the dark side of business relationships, they do ultimately address the phenomenon by emphasising that, over time, the relationship between relationship performance and certain relational variables will weaken (Hibbard *et al.*, 2001). These results found by Hibbard et al. (2001) were similar to that of Grayson and Ambler (1999), emphasising that business relationships do have a dark side. However, even though Hibbard, Brunel, Dant and Iacobucci's (2001) work conceptually broadened the limited understanding of dark side behaviour in business relationships by linking it to several relational constructs, it fails to operationalise any of the theoretical reasons for the manifestation of dark side elements and symptoms.

Pressey and Tzokas (2004) contribute to the limited body of research on the dark side of business relationships by exploring the dark side of long-term relationships using a cross industry sample of UK exporters engaged in business relations with a principal foreign customer. Consistent with previous studies on dark side behaviour (e.g Grayson & Ambler, 1999; Hibbard *et al.*, 2001; Moorman *et al.*, 1992), Pressey and Tzokas (2004) describe

symptoms of dark side as “the loss of objectivity over time due to the high level of experience produced through extended and close business-to-business relationships”. Pressey and Tzokas (2004) identified a weakening effect over time concerning export relations in terms of the level of commitment between parties. However, similar to Hibbard et al. (2001), Pressey and Tzokas (2004) neglected to operationalise the reasons for the emergence of dark side behaviour directly in business relationships.

Anderson and Jap (2005) used the case study approach in order to examine, define and explain the dark side of business partnerships. They describe the dark side of long-term relationships between business partners as something that subtly undermine relationships in which parties are confident and optimistic about their collaboration and where both parties are receiving ongoing benefits (Anderson & Jap, 2005). According to these authors, the dark side phenomenon is different to business relationships that have gone “sour” and, subsequently, became dysfunctional. In other words, the term “dark side” can refer to forces undermining business relationships that are perceived by involved parties as well-functioning and desirable (Baker, 2009).

This study acknowledges that variables that often promote desirable business relations (e.g. trust, commitment, satisfaction, etc.) can also be considered as the variables that eventually undermine the relationship (Anderson & Jap, 2005; Pressey & Tzokas, 2004). Baker (2009) suggests that the notion pertaining the dark side of business relationships should be expanded as a firm’s adoption of a relationship marketing strategy that can potentially lead to the onset of dark side elements such as conflict, uncertainty and an imbalance of power and dependence. In an attempt to identify dark side antecedents, elements and symptoms, the current study adopts Baker’s (2009) interpretation of the dark side as the decrease in a firm’s ability to obtain organisational goals resulting from the investment in business-to-business relationships. These goals can be either financial or non-financial (relational) by nature and can directly influence the desirability and efficiency of a relationship. Hence, by launching an investigation into the manifestation of the dark side of business relationships, this research aspires to explicitly address a gap in literature by providing reasons for the emergence of this dark phenomenon.

2.3 TYPES OF DARK SIDE BEHAVIOUR: TRAPS AND SECRETS

Several relationship marketing studies (e.g. Dwyer, Schurr & Oh, 1987; Hakansson, Ford, Gadde, Snehota & Waluszewski, 2009; Rigby & Ledingham, 2004) tend to emphasise the bright side of cooperative business relationships along the supply chain, and often neglect the

dark side. However, in an imperfect and dynamic world, it goes without saying that problems and conflicts will arise between two partners throughout the course of a cooperative relationship (Wilkinson, Young & Freytag, 2005). Hakansson et al. (2009) maintain that the more two companies work together, the more conflicting issues will be discovered, as collaborating firms cannot entirely escape relationship problems and conflicts. Dark side behaviour in the context of cooperative relationships is often associated with opportunistic behaviour in which one partner inflicts damage onto the other (Grandinetti, 2017). This coexistence of cooperation and opportunism can cause the relationship to become volatile and result in the rise of suspicions, tensions and conflicts on the damaged partner's account. Grandinetti (2017) delineate two types of dark side behaviour in business relationships: "traps" and "secrets", hence reciting a metaphor that has been amply utilized in relationship marketing literature in which business relationships are compared to marriages. Similar to how keeping secrets and being trapped in a relationship can damage an individual psychologically, business relationships can become destructive due to the rise of information asymmetry and a considerable imbalance of power and dependence. Consequently, dark side business behaviour can potentially lead to business parties becoming "trapped" in a relationship or feeling left in the dark because of their counterparty's "secrets".

2.3.1 Traps

Anderson and Jap (2005) place emphasis on the dark side of business relationships by identifying an unstable factor underlying the surface of seemingly "good" partnerships. Opportunistic behaviour, whereby one party damages its partner by pursuing self-interest, is often considered the root of all evil when investigating dark side behaviour in business relationships (Abosag, Yen & Tynan, 2015; Abosag *et al.*, 2016; Anderson & Jap, 2005). After conducting a series of studies on the relationships between manufacturers and distributors, Anderson and Jap (2003) detected that opportunistic behaviour can surface subsequent to the establishment of business relations among partnering firms. In their analysis of how apparently good relationships can turn dark, they noted that the "victimised" party is often aware of its partner's opportunistic behaviour, but still chooses to react passively. This inaction in response to opportunism can be driven by idiosyncratic investments (Grandinetti, 2017; Brown, Crosno & Tong, 2019, Fenik, Noble & Lehnert, 2020), or several other factors that involve dark side elements such as uncertainty and conflict, as well as imbalances concerning power and dependence. When parties start to act opportunistically, and in a manner that is not mutually beneficial, conflict can arise due to the abandonment of relational agreements and a decline in

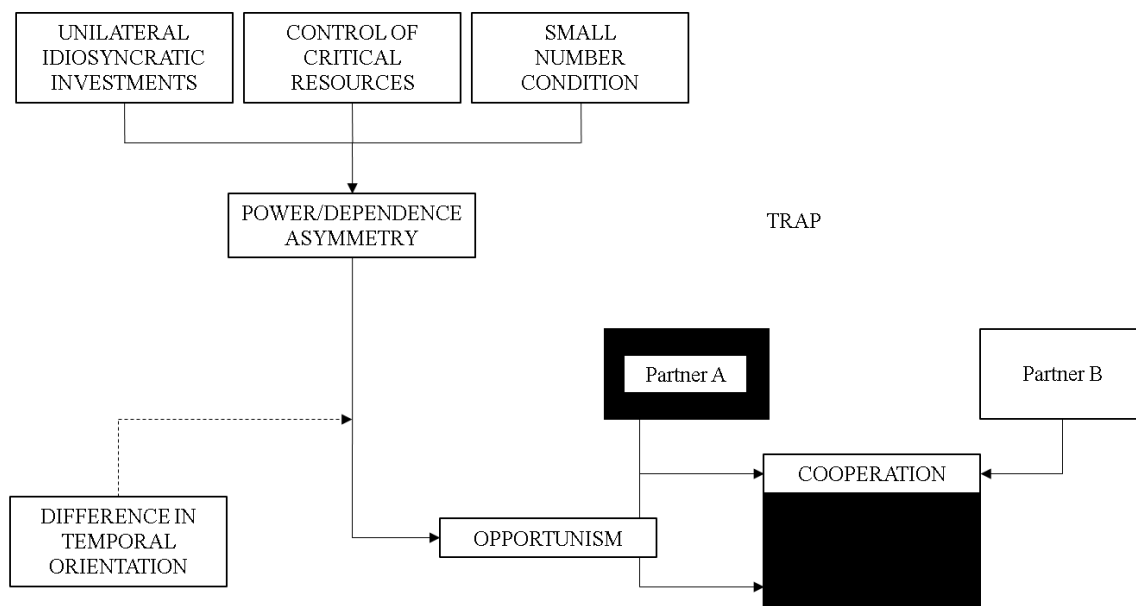
positive relationship mediators (e.g. commitment, trust, reciprocal norms and gratitude) (Baker, 2009; Lund *et al.*, 2015; Fenik *et al.*, 2020). In addition to conflict, business relationships can also become characterised by uncertainty. This uncertainty usually stems from the unpredictability that often accompanies opportunistic behaviour as a result of weak or declining trust and transparency between parties (Abosag *et al.*, 2015; Williamson, 1985). In other words, opportunism can increase perceived risk among parties, and also lower levels of trust, which can result in parties feeling insecure and uncertain of how their partners will act. Anderson and Jap (2005) argue that the reason why most parties tolerate opportunistic behaviour lies in an asymmetric balance of power. As partners often become dependent on one another, it also means that tolerating opportunistic behaviours becomes unavoidable (Grandinetti, 2017; Brown *et al.*, 2019; Crick, 2019; Feenik *et al.*, 2020).

This study acknowledges the work of Grandinetti (2017) in which the author explains why certain organisations become trapped in cooperative relationships characterised by dark side behaviour. It also suggests that parties become trapped, and respond passively to opportunism, in order to minimise the impact of negative relational elements (e.g. conflict, uncertainty and an imbalance of power and dependence) in their partnerships. Therefore, the first type of dark side behaviour infers that partnering firms can become trapped in a business relationship by reacting passively to opportunism in order to prevent it from resulting in more dangerous and more relationship damaging elements such as conflict, uncertainty and imbalances of power and dependence. Grandinetti (2017) offers a model in order to assist in identifying the profile of the first type of dark side. Figure 2.1 depicts the situation in which Partner A behaves opportunistically and can potentially harm its counterparty. However, the disadvantaged party is aware of the manifestation of opportunism in the relationship but, nevertheless, does not terminate the undesirable relationship immediately (Grandinetti, 2017; Crick, 2019; Low & Li, 2019; fenik *et al.*, 2020). Johnsen and Lacoste (2016) claim that when a party is able to behave opportunistically and its partner is aware of this and does nothing about it, an imbalance of power and dependence can arise in the relationship. Thus, if one firm is more dependent on its partner, the resulting net-positive dependence on the partner is the source of the partner's power and vice versa (Gulati & Sytch, 2007).

The imbalance of dependence and power in a relationship can create a relational trap in which the weaker party has no choice but to endure the opportunism that leads to the darkening of the relationship (Grandinetti, 2017; Low & Li, 2019). The power and dependence advantage appears to be one of the most cited antecedents of opportunism in relationship marketing literature (Hawkins *et al.*, 2008; Tangpong, Michalisin, Traub & Melcher, 2015; Wang & Yang,

2013). According to several authors, opportunism can emerge because of unilateral idiosyncratic investments (Heide & John, 1990), the control of critical resources (Olsen, Prenkert, Hoholm & Harrison, 2014), or “the small number” condition often discussed by Williamson (1973), in which the imbalance of power and dependence arise due to partners differing in terms of organisational size. Hence, when a business relationship becomes characterised by power and dependence imbalances, the weaker party will often have no other choice but to remain trapped in the relationship as it may be dependent on its partner to operate efficiently. For example, in some business relationships, partners develop or acquire technologies, or other relationship-specific assets (Das & Rahman, 2010) that may result in parties becoming dependent because of investing in these assets (Grandinetti, 2017). In other words, when a business relationship becomes characterised by a heavy imbalance of power and dependence, the business partner in possession of more power may act opportunistically (Grandinetti, 2017; Lonsdale, 2001; Crick, 2019; Fenik et al., 2020).

Figure 2.1 The first type of dark side in cooperative business relationships



Source: Grandinetti (2017)

Figure 2.1 depicts the variables that influence opportunism in business relationships and how parties become “trapped” due to emerging dark side behaviour. In addition to power-dependence and its antecedents, Grandinetti (2017) acknowledges the moderating role of temporal orientation on the relationship between power-dependence asymmetry and

opportunism. In a cooperative relationship, partners may also possess different positions regarding future orientation. For example, if a company that possesses greater power desires immediate results, the probability that it will use its advantage in the relationship opportunistically, is likely to increase. However, at the same time, the tolerance of the long-term orientated partner in terms of its counterparty's opportunistic behaviour may also potentially increase due to it being more dependent on the relationship. Therefore, the temporal orientation of each party in terms of relationship objectives and whether they perceive the relationship as temporary, or continuous, influences the extent to which opportunism is allowed and tolerated.

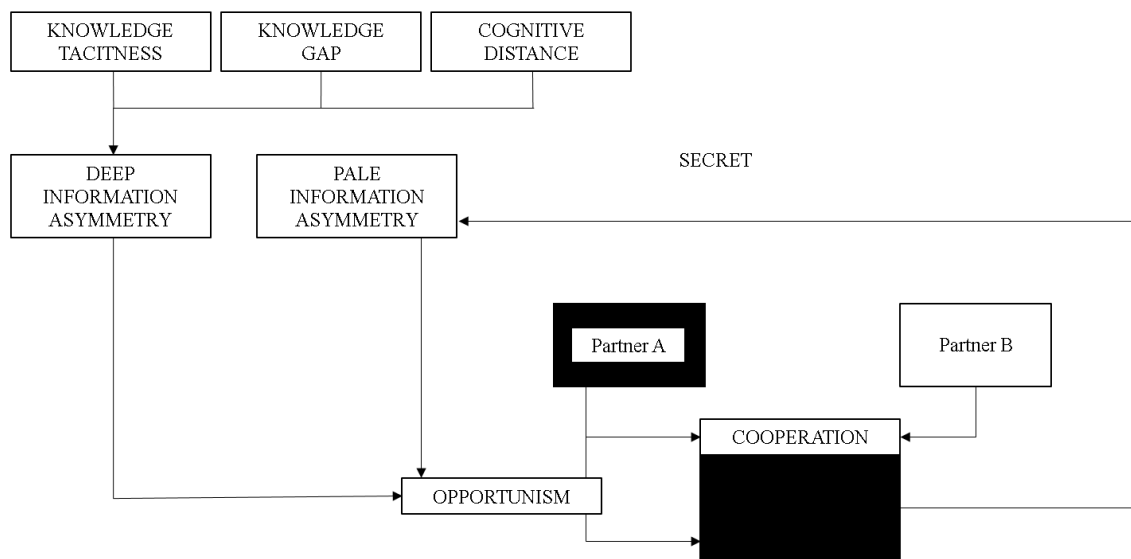
2.3.2 Secrets

In their analysis of the dark side of buyer-seller relationships, Villena et al. (2011) apply the concept of social capital as developed by Nahapiet and Ghosal (1998) and its three dimensions in order to explain the manifestation of dark side business behaviour between parties. These three facets of social capital consist of the structural dimension (the impersonal configuration of relationships between people or organisations), the cognitive dimension (shared representations, interpretations and systems of meaning among parties) and the relational dimension (aspects such as trust, friendship, respect and reciprocity) (Nahapiet & Ghosal, 1998). Each of these dimensions of social capital can be associated with a problem, or an inverted curvilinear relationship between a given dimension and relationship performance – for example, the extent to which one party's operations have improved due to cooperation between business partners (Nahapiet & Ghosal, 1998; Villena *et al.*, 2011). Grandinetti (2017) specifically chose to focus on the relational dimension of social capital because of the underlying dark side that resides beneath the growth of relational capital. When a relationship becomes characterised by high levels of certain relational elements (e.g. trust, respect, friendship and reciprocity), parties' efforts regarding monitoring, evaluating and safeguarding regarding their relationships, tend to decrease. This lack of vigilance can give rise to opportunistic behaviour, as well as information asymmetry among parties (Grandinetti, 2017; Brown et al., 2019). Several studies, ranging from Moorman, Zaltman and Deshpande's (1992) pioneering contribution to more recent research by Heirati, O'Cass, Schoefer and Siahtiri (2016) on business-to-business cooperative relationships, support the notion that high levels of cooperation and interaction can create an imbalance of power and dependence, as well as result in the opportunistic use of information. These studies regarding the relationship between cooperation and opportunism (i.e. dark side behaviour) can all be traced to Granovetter's

(1985:491) work regarding embeddedness, according to which, “the more complete the trust, the greater the potential gain from malfeasance”.

Figure 2.2 delineates the second type of dark side behaviour (i.e. secrets) that can emerge in cooperative business relationships – which refers to situations in which one party behaves opportunistically due to an advantage brought on by information asymmetry. Secrets, as a type of dark side, can appear even in the absence of other typical determinants of opportunism such as idiosyncratic investments (Grandinetti, 2017; Low & Li, 2019; Fenik et al., 2020). Unlike with dark side traps, the business party at a disadvantage is usually unaware of the damage they are suffering during the course of their relationship (Grandinetti, 2017; Brown et al., 2019; Crick, 2019). In interfirm partnerships, the emergence of dark side behaviour linked to secrets can be explained by the occurrence in which one party lacks the technical knowledge to evaluate the effort invested by its counterparty, or the desirability of the relationship in general. Alternatively, Day, Fawcett, Fawcett and Magnan (2013) claim that even though one party may actually possess the necessary knowledge, an excess of trust can lead them to take a “leap of faith” with regards to their partner’s behaviour, as well as deactivate monitoring mechanisms.

Figure 2.2 The second type of dark side in cooperative business relationships



Source: Grandinetti (2017)

Furthermore, Figure 2.2 also depicts two variations of dark side behaviour in terms of the information asymmetry and opportunism coupling, referred to as “deep” and “pale” information asymmetry (Grandinetti, 2017; Crick, 2019; Brown et al., 2019; Fenik et al., 2020). In the case of “pale” information asymmetry, the resulting consequences are reversible. However,

excessive trust and commitment may cause parties to lower their guard which can trigger the onset of opportunistic behaviour within the relationship. On the other hand, the effects of “deep” information asymmetry cannot be reversed, and asymmetry may even arise in the presence of high levels of control (Grandinetti, 2017; Brown et al., 2019; Low & Li, 2019). Sharma (1997) uses the term “knowledge asymmetry” to express the severity pertaining the condition of “deep” information asymmetry – which can emerge when knowledge is tacit (e.g. personal and context-specific knowledge) and, therefore, difficult to formalize and communicate. Although cooperation between parties is the best way to ensure the transfer of tacit knowledge and prevention of information asymmetry (Cavusgil, Calantone & Zhao, 2003), this positive condition cannot exist if partners have no intention of transferring it (Grandinetti, 2017; Low & Li, 2019). Besides knowledge tacedness, Grandinetti (2017) suggests that there are two more determinants of information asymmetry: the presence of a knowledge gap (Kastberg, 2011) and cognitive distance (Nooteboom, 2000).

2.4 THE SPECTRUM OF INCREASED DARKNESS

Just as personal relationships experience stages of emotional turmoil, business relationships are often neither perceived as bright nor dark, but rather a combination of advantages and drawbacks (Abosag, Yen & Barnes, 2016; Grayson & Ambler, 1999). It has long been recognised in literature that, when dealing with relationships, the dark side is inspirable (Hakansson & Snehota, 1998) and even valuable partnerships may possess some aspects of negativity (Hakansson & Snehota, 1995). According to Hakansson and Snehota (1998) the dark side can never be disregarded as it is the systematic consequence of the development of relationships. Hence, the dark side represents a natural component of business relationships that, despite being unavoidable, can be successfully managed (Abosag *et al.*, 2016).

In recognition of the importance to understanding the dark side of business relationships, Abosag et al. (2016) offer a spectrum of increased darkness to outline the degree of dark side behaviour in business-to-business relationships. Several authors (Abosag *et al.*, 2016; Chung, Wang, Huang & Yang, 2016; Noordhoff, Kyriakopoulos, Moorman, Pauwels & Dellaert, 2011) acknowledge that when dark side behaviour initially emerges in business relationships, its appearance may be valuable if focal parties are capable of effective learning. However, failure to learn and adapt within business relationships can amplify dark side behaviour to such an extent that it becomes intolerable and irritating (Ford, 1980). Thus, being able to distinguish between the tolerable and intolerable dark side, can equip organisations with the competence

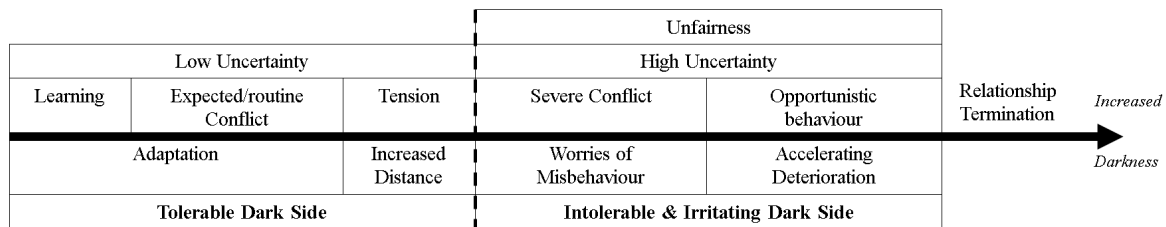
to effectively identify and monitor dark side behaviour (Hakansson & Snehota, 1995), as well as assist them with managing the “darkness” (Abosag *et al.*, 2016).

Figure 2.3 depicts the spectrum of increased darkness by specifically addressing the tolerable and intolerable dark side (Abosag *et al.*, 2016). The notions that reflect different degrees of darkness are shown above the spectrum, whereas reactive behavioural traits to increased darkness are found below the spectrum (Abosag *et al.*, 2016).

2.4.1 The tolerable dark side

Abosag *et al.* (2016) infer that, even though every business relationship has a dark side, darkness in its stages of tolerability can be useful. Accordingly, Hakansson and Snehota (1995) acknowledge that, if managed correctly, dark side behaviour in its early appearance can potentially contribute to better relationship performance in the future. Thus, not all is dark regarding the dark side of business relationships. Figure 2.3 depicts the tolerable dark side as comprising of low uncertainty and notions that reflect degrees of darkness such as learning, routine conflict and tension (Abosag *et al.*, 2016).

Figure 2.3 The spectrum of increased darkness



Source: Abosag *et al.* (2016)

The emergence of uncertainty can be perceived as an indication that the level of darkness within a business relationship has increased. Several authors (e.g. Geykens, Steenkamp & Kumar, 1998; Gundlach, Achrol & Mentzer, 1995; Ting, Chen & Bartholomew, 2007) claim that uncertainty can have an undesirable impact on business relationships as it can be the outcome of negative interactions, engagement and communications. (Abosag *et al.*, 2016). Eriksson and Sharma (2003) describe uncertainty as the “gap” between expected and actual future outcomes which emphasize how limited information amongst parties in business relationships can affect their ability to make decisions. In other words, the unpredictability and complexity of the

dynamic environments in which organisations operate can influence their decision-making competence due to the lack of information that often accompany the emergence of relationship uncertainty. Therefore, when the dark side initially makes its appearance in business relationships, it leads to low levels of uncertainty which, in turn, can be reduced through effective information sharing and flexibility in terms of adaption (Abosag *et al.*, 2016). Noodeweir, John and Nevin (1990) maintain, however, that if parties fail to exchange information and are unwilling to adapt, uncertainty increases and prevent them from identifying unanticipated changes in circumstances regarding the relationship.

The tolerable dark side is also often characterised by routine and expected conflict which emerge due to contradicting views regarding relational issues such as differing goals and expectations, as well as clashing of cultural norms (Abosag *et al.*, 2016; Araujo & Mouzas, 1997). However, if the way parties conduct business are remedied, modified or changed, routine and expected conflict can be useful to enhance the value of business relationships (Wang, Siu & Barnes, 2008). Furthermore, a few authors assert that the effective management of conflict as part of the tolerable dark side can lead to a variety of benefits such as increased productivity (Anderson & Narus, 1990), improved creativity (Gadde & Hakansson, 2010) and further relationship perks (Vaaland & Hakansson, 2003). But if conflict is left unresolved, it can disrupt learning and impede on the sharing of information (Chang & Gotcher, 2007), which can in turn increase emotional distance and tension between parties (Abosag *et al.*, 2016). Hence, if increased dark side behaviour is not dealt with effectively, severe conflicts can arise and fuel further relational tensions.

The dark side of business relationships can lead to tensions between parties as it often causes stress and discomfort (Proença & de Castro, 2005), weakens the quality of relational ties (Good & Evans, 2001), as well as provoke relationship unrest (Dwyer, Schurr & Oh, 1987). Several authors (e.g. Abosag *et al.*, 2015; Abosag *et al.*, 2016; Fang, Chang & Peng, 2011) note that relational tensions often emphasise two key factors in business relationships namely, the end of harmonization and the weakening of previously strong bonds between parties. Fang *et al.* (2011) argue that tension in business relationships manifest due to imbalances, or asymmetry, regarding contradicting goals and power distribution among parties which can lead to dangerous levels of conflict, weak cooperation and opportunistic behaviour. Thus, if these relational tensions are not resolved upon the emergence of increased dark side behaviour, it can become intolerable and irritating (Abosag *et al.*, 2016).

2.4.2 Intolerable and irritating dark side

The intolerable and irritating dark side of business relationships can appear if organisations fail to successfully manage elements of tolerable darkness. Abosag et al. (2016) claim that the intolerable dark side of business relationships are often characterised by high levels of uncertainty, severe conflict, opportunistic behaviour as well as a deterioration in trust and commitment. The IMP Group's interactive framework suggests that if organisations fail to adapt and manage dark side behaviour, these negative constructs can potentially make initially good functioning business relationships undesirable (Turnbull & Valla, 1985). According to Abosag et al. (2015), conflict, uncertainty and opportunistic behaviour have the ability to change relationship dynamics, inter-organisational interaction, relational distance, as well as the context and type of relationship – which, in turn, can influence the desirability and relevance of business-to-business relationships.

Uncertainty in business relationships makes it difficult for parties to predict each other's demands and requirements, as well as foreseeing future outcomes (Kohli, 1989). Abosag et al. (2015) maintain that when a relationship is characterised by low uncertainty, it is more predictable and results in higher trust. Hence, commitment and cooperative attitude may increase when parties are able to foresee future relationship performance and outcomes (Lai, Cheng & Yeung, 2005). However, if uncertainty is not reduced during the appearance of the tolerable dark side, it can lead to higher and intolerable levels of uncertainty in relationships (Abosag *et al.*, 2015). Several authors (e.g. Abosag *et al.*, 2016; Achrol & Stern, 1988; Kohli, 1989) recognise that uncertainty can be reduced through the effective sharing of information and flexibility in terms of relationship adaption. In other words, failure to exchange information and unwillingness to adapt can increase the level of uncertainty in business relationships which, in turn can damage relational ties (Noordeweir *et al.*, 1990). Heide (1994) suggests that high levels of uncertainty can negatively affect the development of trust, commitment and long-term orientation, and it can also result in opportunistic behaviour. Hence, high levels of uncertainty can result in dark side behaviour and cause good-functioning business relationships to become undesirable and inefficient.

In addition, Plank and Newell (2007) argue that high uncertainty, along with less joint decision-making, can result due to severe levels of conflict in business relationships. Severe conflict can be seen as a clear manifestation of intolerable dark side behaviour as it diminishes loyalty among parties (Abosag *et al.*, 2016), increases transaction cost (Williamson, 1975), as well as reduces productivity, cooperation and performance (Finch, Zhang & Geiger, 2013; Massey &

Dawes, 2007; Skarmeas, 2006). Routine and expected conflict should, therefore, be managed during stages of tolerable darkness, as failure to do so can lead to severe conflict among parties, potentially creating unwanted stress in relationships (Jehn, 1994; Shaw, Shaw & Enke, 2003). Abosag et al. (2016) also infer that severe conflict, as a part of the intolerable and irritating side, can profoundly increase dark side effects such as the likelihood of misbehaviour and opportunism.

Several authors (e.g. Abosag *et al.*, 2016; Crosno & Dahlstrom, 2008; Wang & Yang, 2013) claim that opportunism is one of the true dark forces that negatively influence business relationships. Opportunism is often motivated by the desire to independently exploit a relationship for self-interest and tends to result in dark side behaviour which can potentially violate existing agreements between parties (Das & Rahman, 2010; Liu, Liu & Li, 2014). Grandinetti (2017) infers that opportunistic behaviour can destabilize a relationship as strong forms of opportunism can breach contractual norms and damage relational ties. Therefore, if constructs such as conflict and other relational tensions are not reduced and managed during the initial appearance of dark side behaviour, opportunism can manifest and potentially lead to relationship dissolution (Abosag *et al.*, 2016; Halinen & Tahtinen, 2002; Wang, Kayande & Jap; 2010).

2.5 CONCLUSION

In conclusion, it is clear that business relationships are often neither bright nor dark, but that they rather represent a combination of the two characteristics (Abosag *et al.*, 2016). It has long been recognized throughout literature that the dark side represents a natural component of relationships and that dark side elements can never be ruled out as they are the systematic consequence of relationship development (Hakansson & Snehota, 1998). However, by understanding *how* the dark side manifest, *what* potentially causes the onset of darkness, and *when* the tolerable dark side becomes intolerable, firms can equip themselves with the necessary skills and competence to manage and reduce the detrimental effects of business relationships. Through the identification of possible sources of dark side behaviour, managers retain the ability to craft a strategy especially designed to resolve the complex and multi-dimensional issues that can potentially cause a business relationship to become undesirable, or ineffective. In the next chapter, the dark side of business relationships will be explored by investigating inherent relationship attributes which can be deemed as potential antecedents of dark side behaviour (i.e. trust, shared values, opportunistic behaviour and uncertainty).

CHAPTER 3: ANTECEDENTS OF DARK SIDE BEHAVIOUR

3.1 INTRODUCTION

Close relationships do not necessarily equate with “good” relationships (Anderson & Jap, 2005). Business-to-business literature suggest that interfirm partnerships often comprise of positive, as well as inherently negative elements that are influenced by various factors in internal and external environments (Johnsen & Lacoste, 2016). For example, as a relationship develops over time, partners usually draw closer together and, subsequently, establish a sense of trust and shared values (Fang, Chang & Peng, 2011). However, positive relational drivers such as trust and shared values can also result in various behavioural outcomes that may later cause damage to the partnership (Abosag *et al.*, 2016; Baker, 2009). Parallel to the aforementioned example, Villena *et al.* (2011) found that value creation in business relationships can be damaged by either a lack, or excessive levels of social capital. In this case, business relationships may naturally possess certain components that, if not managed correctly, can harm relational ties between partners (Villena *et al.*, 2011). Therefore, dark side behaviour can surface in business relationships due to the close proximity and level of intimacy between parties (Johnsen & Lacoste, 2016; Wuyts & Geykens, 2005). In addition to the identification of positive relationship drivers as potential antecedents of dark side behaviour, Johnsen and Lacoste (2016) argue that detrimental behaviours can also be caused by negative elements (i.e. opportunism and uncertainty).

The focus of the current chapter is to explore potential antecedents of dark side behaviour. Abosag *et al.* (2016) maintain that it is important for a firm to understand the “root cause” of dark side behaviour in order to effectively reduce and manage its appearance in business relationships. Drawing from existing literature, the current study identified trust, shared values, opportunistic behaviour and uncertainty as possible antecedents of dark side behaviour. These elements all possess particular qualities that could result in certain behaviours which might consequently cause the relationship to become characterised by intolerable dark side tendencies (Abosag *et al.*, 2016). First, trust and shared values are discussed as antecedents of dark side behaviour as many authors (e.g. Baker, 2009; Friman *et al.*, 2002; Moorman *et al.*, 1993; Morgan & Hunt, 1994) identify these constructs as fundamental “building blocks” to any relationships. Because trust and shared values are considered such pivotal relationship drivers, the current study aims to examine the effect thereof on the onset of certain behaviours which might ultimately lead the manifestation of intolerable dark relationships. Secondly,

opportunistic behaviour is also adopted as a potential antecedent of dark side behaviour as it is often referred to in literature as a negative relationship driver (e.g. Brown *et al.*, 2000; Wathne & Heide, 2000; Williamson, 1975) that usually results in detrimental outcomes (Das & Rahman, 2015). This chapter covers the concept of opportunism and its dimensions as suggested by Wathne and Heide (2000). Lastly, the final antecedent of dark side behaviour to be examined in this chapter is uncertainty. Drawing from research by Abosag et al. (2016), uncertainty can affect the extent to which a partner has sufficient information to make key decisions, is able to foresee the consequences of these decisions, and has confidence in them. Hence, as uncertainty as a construct plays an influential role regarding the decision-making of business partners, it may affect the relationship dynamics between firms, as well as cause certain behavioural outcomes to arise.

3.2 TRUST

Trust is usually described as something beneficial to all concerned – something that is inherently good (Skinner, Dietz & Weibel, 2013). Several authors (e.g. Anderson & Narus, 1990; Dowell, Morrison & Heffernan, 2015; Huang & Wilkinson, 2013; Morgan & Hunt, 1994; Jiang, Henneberg & Naudé, 2011) maintain that trust is a key dimension in business relationships and can influence parties' behaviour in a business relationship. For example, Abosag et al. (2016) argue that low levels of trust in a business relationship can potentially result in behavioural outcomes that might damage relational bonds. Therefore, as the level of trust between business partners can influence the dynamics of a partnership, the current study identifies trust as important antecedent of dark side behaviour.

3.2.1 Concept of trust

The conceptualisation of trust across a variety of disciplines, including philosophy, economics, sociology and management, has significantly increased over the past decade. These discussions have become linked to the developing interest of relationship management – especially in the context of business-to-business relationships (Blois, 1999). Berry (1995:242) commented that “relationship marketing is built on the foundation of trust”. However, the concept of trust literature in relevance to business relationship management is complex and a great diversity of views exists as to what the concept entails. Table 3.1 provides some frequently used definitions of trust throughout literature.

Table 3.1 Definitions of trust

Definition	Source
Trust is the belief that a party's word or promise is reliable and that they will fulfil obligations in an exchange relationship.	Schurr & Ozanne, 1985:940
Mutual trust is the degree to which a channel member perceives that its relationship with a partner is based on mutual trust and, thus, willing to accept short-term dislocation because they are confident that such a dislocation will balance out in the long run.	Anderson, Lodish & Weitz, 1987
Trust refers to a party's belief that its needs will be fulfilled in the future by actions undertaken by another party.	Anderson & Weitz, 1989:312
Trust is the firm's belief that another organisation will perform actions that will result in positive outcomes for the firm, as well as not take unexpected actions that can result in negative outcomes for the firm.	Anderson & Narus, 1990:45
Trust is defined as "a willingness to rely on an exchange partner in whom one has confidence".	Moorman, Zultman & Desphande, 1992; Ganesan, 1994
Trust can be conceptualized as existing when one party has confidence in an exchange partner's reliability and integrity.	Morgan & Hunt, 1994
Trust refers to the perceived credibility, as well as the benevolence, of a target of trust.	Doney & Cannon, 1997:36

Most of the authors included in Table 3.1 refer to the study by Schurr and Ozanne (1985) who based their views of trust on previous research by Blau (1964), Rotter (1967) and Pruitt (1981). Although most definitions stated above have elements in common (such as trust being a belief), each of these definitions differ in one way or another. This dissertation, however, conceptualises trust as a party's confidence in an exchange partner's reliability and integrity (Morgan & Hunt, 1994), which runs parallel to Moorman, Deshpande and Zaltman's (1993:82) definition: "Trust is defined as a willingness to rely on an exchange partner in whom one has confidence". Both of these definitions emphasise the importance of confidence in business relationships and draw specifically on Rotter's (1967) classic view that describes trust as the generalized expectancy held by a firm regarding the extent to which they can rely on their partner's word. Literature on trust suggests that confidence in business relationships can develop due to parties' belief that their partners are reliable and possess high levels of integrity (Morgan & Hunt, 1994). This view concerning trust is often associated with qualities such as consistency, competence, honesty, fairness, responsibility, helpfulness and benevolence (Altman & Taylor, 1973; Dywer & LaGace, 1986; Morgan & Hunt, 1994; Rotter, 1971).

Anderson and Narus (1990) focus on the perceived outcomes of trust and define the term as "the firm's belief that another company will perform actions that will result in positive outcomes for the firm, as well as not take unexpected actions that might result in negative

outcomes”. Business partners are therefore more likely to rely with confidence on one another if their actions and decisions reflect integrity, and relationship outcomes are positive. Furthermore, Wilson (1995) maintains that “trust is a fundamental relationship model building block and as such is included in most relationship models”. This statement regarding the importance of trust in business relationships is supported by Morgan and Hunt (1994) as they emphasise trust to be a key mediating variable that is central to relational exchanges. The inherent belief that trust is often associated with successful business relationships is best summarised by Sullivan and Peterson (1982) who claim that, when parties have adequate trust in one another, issues pertaining dark side behaviour are more likely to be resolved. However, when the trust between partners turn salient, the relationship can become characterised by a degree of uncertainty and perceived risk, which as result can influence the manner in which one, or both parties operate (Skinner *et al.*, 2013). Hence, although trust is typically portrayed as an advantageous element in business relationships, Mollering (2007) suggests that the inherent ambiguity in trusting situations is an important factor to consider when investigating the dark side of trust.

3.2.2 Stages of trust

Several authors also argue that trust is not just a psychological state (e.g. Kramer, 1999; Rousseau, Sitkin, Burt & Camerer, 1998), or a cognitive orientation towards risk, but rather a process that comprises of three stages (McEvily *et al.*, 2003; Sanders, Schyns, Dietz & Den Hartog, 2006). The first stage entails a set of beliefs regarding the other party’s trustworthiness, regularly used to comprise assessments of their ability, benevolence and integrity (Mayer, Davis & Schoorman, 1995). The second stage is captured by Rousseau, Sitkin, Burt and Camerer’s (1998) definition of trust as “a psychological state comprising of the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another”. Giddens (1990) and Nicholson *et al.* (2001) refer to this acceptance of vulnerability as a “leap of faith”. In contrast, if distrust surfaces in the second stage, the trustor may have confident negative expectations regarding its partner’s actions and might therefore not accept vulnerability (Lewicki, McAllister & Bies, 1998). Lastly, the third stage of trust – based on the decision made in the previous stage – comprises of risk-taking actions undertaken in order to demonstrate a party’s trust. Hence, the final stage is often considered the defining stage as related risk-taking actions could potentially result in increased collaboration and reliance, the sharing of valuable resources and information, as well as the reduction of deliberate monitoring. Skinner *et al.* (2013) emphasise that it is this risk-taking element pertaining to trust that can

lead to the appearance of certain dark side behaviours in business relationships (e.g. power and dependence issues).

3.2.3 Dimensions of trust

Trust has been defined as a complex multi-dimensional construct (Brashear, Boles, Bellenger & Brooks, 2003; Johnson & Grayson, 2005; Miyamoto & Rexha, 2004; Rodriguez & Wilson, 1995) and is often conceptualized as having three dimensions, namely cognitive, affective and behavioural. This section focuses on defining cognitive trust and affective trust in a manner that is consistent with the basic notions of cognition and affect as stipulated in relationship marketing literature. The third component of trust, behavioural trust, which constitutes actions that flow from a state of cognitive and affective trust (Lewis & Weigert, 1985), is treated implicitly as the consequence of cognitive and affective trust (Johnson & Grayson, 2005). The current study, as suggested by Abosag et al. (2015), focuses primarily on the cognitive (competence, customisation, reliability/dependability and promptness) and affective (caring, concern, empathy, similarity and politeness) dimensions of trust.

Cognitive/performance-based trust

Cognitive, or performance-based, trust is defined as the confidence, willingness or intention of a party to rely on a counterparty's competence, reliability and promptness in meeting their obligations (Anderson & Weitz, 1989; Moorman, Zaltman & Deshpande, 1992; Rempel, Holmes & Zanna, 1985). Zaheer, McEvily and Perrone (1998) infer that cognitive trust emerges from accumulated knowledge that allows a party to make predictions, with some level of confidence, regarding their partner's future actions and decisions to fulfil promises. Cognitive trust is therefore often considered synonymous with "predictability" (Rempel *et al.*, 1985) and "reliableness" (Johnson-George & Swap, 1982). These predictions that stem from cognitive trust are based on knowledge gained through interactions between parties (Harris & Dibben, 1999), observations made regarding partner behaviour, as well as a party's reputation in other relationships (Johnson & Grayson, 2005). When reputation effects are strong, initial interactions can provide parties with confirmation (or disconfirmation) in terms of prior perceptions, while also allowing cognitive trust to become definitive in one or more interactions (Johnson & Grayson, 2005). In other words, when a business relationship develops over time, both parties increase their cognitive, or performance-based, trust of each other based on successful past collaboration (Abosag *et al.*, 2015). However, Barnes et al. (2005) argue that

cognitive trust does not always increase due to past success and, as a practical example reveals, during the mid-term of most business relationships (between 2-5 years in length) between UK multinational enterprises (MNEs), cognitive trust actually decreased. Therefore, cognitive trust is often regarded as an expectation rather than a conviction regarding a partner's future behaviour, as well as a reflection of the level of uncertainty pertaining the anticipation of this behaviour (Zaheer *et al.*, 1998). Abosag *et al.* (2015) suggest that the cognitive dimension of trust can also provide parties with a degree of freedom to disappoint expectations, which emphasises the importance of the matter of trust expectation management in business relationships.

Furthermore, even though cognitive trust is knowledge-driven, the need to trust presumes a state of incomplete trust (Johnson & Grayson, 2005). However, a state of complete certainty regarding partners' actions implies that risk is eliminated, and trust is redundant – which in most business relationships is hardly ever the case (Abosag *et al.*, 2015; Johnson & Grayson, 2005). Williamson (1993) elaborates on this perspective by explaining that, although uncertainty and opportunistic behaviour can be minimised through due diligence and contractual safeguard, business relationships often comprise of more than just the contractual component of trust. Three components of inter-organisational trust have been identified in order to achieve relationship success, namely contractual trust (expectations that one's business partner keeps its promises), competence trust (confidence in one's business partner's competence or professional standard in carrying out specific tasks) and goodwill trust (confidence in one's business partner's open commitment to supporting and continuing the relationship) (Sako, 1992). Hence, there is an irrational sphere to trust that speaks to complex relational drivers (e.g. respect, friendship and reciprocity) which involves less contractual and calculative trust, and more of a "leap of faith" feature pertaining business relationships.

In addition to the complex nature of trust, Barnes *et al.* (2005) argue that the reduction of cognitive trust is particularly likely at inter-organisational level as trust needs to be specifically reactivated in situations where partners take on new transactional tasks that have not previously been part of relational operations. Hence, this reactivation of cognitive trust is important in order to prevent unpleasant surprises from arising due to changes in tasks (Huemer, 2004) that could, if left unmanaged, potentially result in perilous negative relationship behaviour. Although future scenarios pertaining a party's actions and behaviours imply some degree of risk, the dark side of trust can be minimised through knowledge gained from prior collaborations (Eriksson & Sharma, 2003). In other words, expectations concerning competence and responsibility can be considered central to cognitive trust (Abosag *et al.*, 2015)

and if these contractual and competence spheres regarding trust are not satisfied in terms of what partners expect, detrimental behaviour can emerge in the relationship (Baker, 2009).

Affective trust

Where cognitive or performance-based trust addresses the contractual and competence aspects of trust, the affective dimension is more emotion-driven and emphasises aspects pertaining to goodwill (Sako, 1992). Rempel et al. (1985) refer to affective trust as the confidence a party places in its business partner based on the feelings and emotions generated by the caring, empathy, politeness, similarity and concern demonstrated during interactions. Affective trust is characterised by “feelings of security and perceived strength of the relationship” (Johnson & Grayson, 2005), interpersonal liking (Nicholson, Compeau & Sethi, 2001), and a “leap of faith” that surpasses the rationality regarding expectations (Wicks, Berman & Jones, 1999). In other words, affective trust speaks to the relational context of trust that will act as a moral control in terms of how parties behave in the relationship (Granovetter, 1985). The essence of affective trust is thus contingent with a partner’s emotions and the development of emotional bonds between parties that may venture beyond that which is justified by available knowledge (Johnson & Grayson, 2005; Nicholson *et al.*, 2001). However, although it is important for business parties to improve their understanding of one another in order to create emotional openness, they should remain vigilant and beware of over-emphasising affective-based trust (Abosag *et al.*, 2015). Several authors (e.g. Abosag *et al.*, 2016; Anderson & Jap, 2005; Baker, 2009) have identified that trust can “blind” parties in terms of the effectivity and desirability of their relationship, hence inferring that trust can potentially result in the manifestation of dark side behaviour in business relationships. Although personal qualities are important in creating emotional bonds between partners as basis of affective trust (which is needed to strengthen and reinforce economic and structural bonds), firms must ensure that trust is not only established at affective level, but that it includes contractual and competence trust to ensure that “the ties that bind, are not ties that blind” (Cohen & Prusak; 2001:56; Johnson & Grayson, 2005).

The association between cognitive/performance-based trust and affective trust

Research concerning whether cognitive (performance-based) trust and affective trust occur simultaneously in a business relationship, or whether one precedes the other, is limited (Abosag *et al.*, 2015). Hence, the interactivity between these dimensions needs to be investigated in order to discuss the potential association between cognitive trust and affective

trust. Lewis and Weigert (1985) claims that cognitive trust provides a foundation for affective trust and should therefore exist before the development of affective trust. Even though researchers like Johnson and Grayson (2005) recognise cognitive trust as a positive antecedent of affective trust, attitude theory researchers have long argued that the relationship between cognition and affect in attitude formation is bidirectional. McAllister (1995) and Nicholson *et al.* (2001) claim that, once strong affective-based trust exists between business partners, the need for cognitive trust may be reduced. In other words, when a relationship is characterised by high levels of trust, parties may become less attentive in terms of the decisions and actions of counterparties. In contrast, however, Chowdhury (2005) argues that cognitive trust may not always develop affective trust due to a misalignment between the shared values and perceptions of parties. Some studies (e.g. Johnson & Grayson, 2005; McAllister, 1995; Nicholson *et al.*, 2001) indicate a significant and positive relationship between cognitive trust and affective trust, while others suggest the association between these dimensions is influenced by complex constructs such as organisational culture. For example, Rodriguez and Wilson (1995) maintain that affective trust does not impact on cognitive trust in an individualist culture, but it does, however, in a collectivist culture.

3.3 SHARED VALUES

Studies across a variety of disciplines have associated shared values with the concept of culture (Baker, 2009). In the area of marketing management, Deshpande and Webster (1989:4) define organisational culture as “the pattern of shared values and beliefs that helps people understand organisational functioning and thus provides norms for appropriate organisational behaviour”. Molla and Bhalla (2006) furthermore explain that organisations impose different values and beliefs (also known as culture) on their business partners – which often defines both expected and accepted behaviour modes, working relationships and communication patterns. Hence, due to the aforementioned relation between shared values and organisational culture, the current research adopts the construct of shared values as a proxy of organisational culture.

Furthermore, when conceptualising shared values, it is important to note that literature has often used the term “shared values” synonymously with shared goals, even though some have recognised a distinction between the two concepts (Sin, Tse, Yau, Lee and Chow, 2004). Several authors (e.g. Anderson & Weitz, 1989; Morgan & Hunt, 1994) provide evidence for this distinction between shared values and shared goals. These authors explain that difference in growth objectives is a difficult and pervasive problem in business relationships, and that

cultural similarity is operationalised separately from the goal congruence construct (Baker, 2009). With reference to the cultural similarity construct, Anderson and Weitz (1989:314) explain that “the essence of the problem is lack of shared values and methods which manifests itself as differences in cognitive styles, operating methods and choices”. For the purpose of this study, there will be a conceptual distinction between shared values and shared goals as these constructs connote different things. When partnering firms possess similar goals, it does not necessarily mean they share an entire set of values (Baker, 2009). For example, a party might value ethical and legal behaviour to obtain relationship goals, whereas their business partner might support underhanded, sneaky and opportunistic behaviour as valid means for achieving desired results (Baker, 2009). However, even though these constructs are inherently different in nature, it is possible that shared values and shared goals are related. Baker (2009) suggests that shared goals is only a component of the much broader construct of shared values.

Shared values can have a significant influence in motivating business partners to achieve relationship objectives (Kashyap & Sivadas, 2012). Similar to the manner in which most relational constructs are utilized to examine relationships in a business-to-business context, shared values have been operationalised, conceptualised and defined in many different ways. Several researchers (e.g. Barnes *et al.*, 2005; Ford, Hakansson & Johanson, 1993; Peck, Christopher, Clark & Payne, 2013; Hakansson & Snehota, 1995) suggest that shared values, as a component construct of business relationships, are made up four facets. The first facet is the win-win facet, which describes partnering firms’ recognition of the need for working together (Baker, 2009; Peck *et al.*, 1999). The second facet includes the affective component, or the “good feelings”, that members have for each other (Baker, 2009; Barnes, 1999). The third facet represents the ownership component and describes how vertical integration is likely to have an impact on business relationships (Hakansson & Snehota, 1995) and, lastly, the fourth facet is the depth facet, representing the amount of activities performed jointly by business partners (Baker, 2009; Ford *et al.*, 1993). In addition, Mukherjee and Nath (2003) also conceptualise that shared values as a construct contain several components, or facets, instead of being a latent construct. For example, according to Baker (2009), in an online banking context the authors describe shared values as the extent to which banks and their customers share common beliefs regarding matters like ethics, security and privacy.

Because of the impactful effect shared values can have on interfirm dynamics, the current study identifies it as a potential antecedent of dark side behaviour. In order to explore the effect of shared values and certain behavioural outcomes associated with dark side behaviour, Morgan and Hunt’s (1994) conceptualisation of shared values is adopted. These aforementioned authors

define shared values as “the extent to which partners have beliefs in common about what behaviours, goals and policies are important or unimportant, appropriate or inappropriate, and right or wrong” (Morgan & Hunt, 1994:25). Drawing from this definition, it can be inferred that business partnerships characterised by a substantial amount of shared values, may comprise of parties that are “on the same page” in terms of how their relationship works, should work and how business practices and endeavours should be approached (Baker, 2009). Thus, shared values can express the extent to which a business relationship might consist of partners that essentially think the same way or share similar philosophies regarding how they conduct themselves within their relationships. Tate (1996) supports the importance of shared values as an essential component for successful relationship development and maintenance by referring to the marriage analogy. He explains that “both parties must understand each other’s needs, and must be compatible, with shared values” (Tate, 1996:7).

3.4. OPPORTUNISTIC BEHAVIOUR

It has been cited and emphasised throughout literature that the construction of successful long-term business relationships will result in mutual gains and cooperation, as well as discourage involved parties from acting opportunistically (Ganesan, 1994). However, many researchers have argued that long-term business relationships often encompass the history of partners’ behaviour, which has the ability to influence interfirm dynamics and the continuity of the relationship (Anderson & Narus, 1990; Morgan & Hunt, 1994; Bucklin & Sengupta, 1993). According to Morgan and Hunt (1994), opportunistic behaviour has been recognised as one of the most influential historical factors that can have a profound effect on the relationship development and maintenance process. Thus, based on the research recommendations by the abovementioned authors, the current study examines opportunistic behaviour as a potential antecedent of dark side behaviour.

In the following section, the concept of opportunistic behaviour is firstly discussed by (1) drawing from two main theories of firm governance (namely, transactions cost theory and social exchange theory), and (2) considering the intrinsic characteristics of opportunism according to Williamson (1975). Secondly, forms of opportunism and possible outcomes are explored in order to provide a better understanding of how opportunistic behaviour can potentially appear in business relationships, as well as to emphasise the consequences that might accompany its manifestation.

3.4.1 Concept of opportunistic behaviour

The concept of opportunism has been described as a multi-disciplinary concept utilised across various fields of business management literature, such as strategic management (e.g. Inkpen & Beamish, 1997), marketing (e.g. Grayson & Ambler, 1999), psychology (e.g. Ephross & Vassill, 1993), as well as transaction costs studies in new institutional economics (e.g. Williamson, 1985; Klein, 1996). However, when exploring the concept of opportunistic behaviour in a relationship marketing context, several authors (e.g. Das & Rahman, 2015; Wathne & Heide, 2000) suggest that there are two main theories of firm governance from which opportunism emerges, namely the transaction cost economics (TCE) and social exchange theory (SET).

The first assumption is that parties are naturally inclined to act opportunistically, or to seek self-interest, whereas the second assumption regarding bounded rationality focuses more on parties' limitation concerning knowledge (Das & Rahman, 2015; Williamson, 1981). In other words, due to parties not being in possession of all the facts and information, Williamson (1981) infer that they will not make entirely rational decisions. Consequently, all partnership agreements developed between firms are usually incomplete and cannot specify every contingency (Williamson, 1981; Provan & Skinner, 1989). Hence, opportunities for renegotiations will emerge in the future, along with alternative opportunities, and an imbalance of power and dependence might occur between partnering firms which, in turn, can potentially result in opportunistic behaviour (Williamson, 1981; Provan & Skinner, 1989; Das & Rahman, 2015). Furthermore, Williamson (1993) extended the concept of transaction cost theory by suggesting that the amount of transaction costs in a business-to-business context (e.g. costs of managing the relationship, the opportunity costs of making relationship decisions, relationship switching costs, etc.) can influence whether or not opportunism can occur. For example, if a relationship is characterised by low relationship costs, it might be easier for firms to act opportunistically and seek better alternative partners.

The second theory that underlines the concept of opportunism is the social exchange theory (SET), which has been used as a basis to explain the relationship marketing theory and interfirm relationships (e.g. Dwyer *et al.*, 1987; Das & Rahman, 2015; Kingshott, 2006; Luo, 2002). The social exchange theory (SET) suggests that there is alternative and more efficient forms of governance for relationships, and it thus rejects the assumption of opportunism (Das & Rahman, 2015). Heide and John (1992) argue that business parties involved in an exchange relationship tend to rely more on trust, commitment, cooperation, satisfaction, and other relational norms

than strictly on contractual agreements. Drawing from the social exchange theory, an exchange can be viewed as a social behaviour that may result in both economic and social outcomes (Emerson, 1976). The exchange parties compare their relational outcomes to that of alternative exchange options and, although economic results are important, they make decisions based on the social outcomes (Emerson, 1976). Therefore, a business relationship resulting in positive relational outcomes can lead to higher level of trust and commitment and, over time, norms can potentially develop that govern the relationship (Lambe, Wittman & Spekman, 2001). Several authors (e.g. Achrol *et al.*, 1999; K Lai, 2005; Brown *et al.*, 2000) suggest that these relational norms can reduce the onset of opportunism in a business relationship.

3.4.2 Forms of opportunistic behaviour

Opportunism may exist in many forms. Wathne and Heide (2000) identifies opportunistic behaviour as active or passive. Active opportunism refers to a situation in which one party does something that harms its counterparty – for example, contract breaching and the violation of promotion agreements (Rahman, 2015). Passive opportunistic behaviour, on the other hand, arises when one partner neglects to do something that would have otherwise benefited its counterparty (e.g. quality shrinking, misrepresentation or exaggeration of capability, etc.) (Rahman, 2015). Wathne and Heide (2000) propose a matrix that identifies four forms of opportunism – namely, evasion, refusal to adapt, violation, or forced renegotiation (see Figure 3.1) Opportunistic behaviour can be identified according to two general categories, namely active and passive (Wathne & Heide, 2000). Opportunism can thus occur when a business partner either engages in, or refrains from, particular actions. However, the specific manifestation of active and passive opportunism may depend on whether a particular behaviour (or lack thereof) takes place within existing exchange circumstances, or whether the original circumstances have changed as result of exogenous events (Wathne & Heide, 2000).

In Figure 3.2, the manifestation of active and passive opportunism under existing and new circumstances is illustrated, as well as the possible effects of the different forms of opportunism on relationship outcomes (Wathne & Heide, 2000). Wathne and Heide (2000) draw from Kaufmann's (1987) and Ghosh and John's (1999) idea that a relationship should be analysed from a dual perspective of (1) creating joint value and (2) claiming a share of it. However, in principle, any form of opportunistic behaviour may potentially restrict both value creation and result in redistribution. Hence, depending on the specific form of opportunistic behaviour, the

manner in which wealth creation and distribution is affected may differ (Wahne & Heide, 2000).

Figure 3. 1 Forms of opportunism and possible outcomes

		CIRCUMSTANCES	
		Existing	New
BEHAVIOUR	Passive	1 Evasion Cost effect: Decrease for O (short term), Increase for E (long term) Revenue effect: Decrease for E, S (long term)	2 Refusal to adapt Cost effect: Minimal Revenue effect: Increase for O (short term), decrease for E and O (long term, forgone due to maladaptation)
	Active	3 Violation Cost effect: Increase for E (long term) Revenue effect: Increase for O (long term), Decrease for E, S (long term)	4 Forced renegotiation Cost effect: Increase for E (haggling, concessions) Revenue effect: Increase for O (short term, from concessions), decrease for E and O (long term, forgone revenues due to maladaptation)

Notes: O = Party engaging in opportunistic behaviour; E = Exchange partner; S = System (e.g. other parties)

Source: Wahne & Heide (2000)

In Figure 3.2, Cell 1 describes the manifestation of passive opportunism that, under existing circumstances, takes on the form of shrinking, or evasion of obligations in business-to-business relationships. According to Wahne and Heide (2000) the situation in which a franchisee fails to comply with a franchisor's quality standard, can serve as an example of this form of opportunistic behaviour. From the franchisee's position, quality shrinking produces an immediate benefit in the form of a cost saving. In the long term, shrinking can create customer dissatisfaction, which can adversely affect revenues of both the franchisor and other franchisees

(Muris, 1981; Wathne & Heide, 2000). Thus, opportunistic evasion can potentially influence both wealth distribution and creation (Wathne & Heide, 2000).

Passive opportunism under new circumstances can result in inflexibility, or refusal to adapt (Cell 2). According to Wathne & Heide (2000) the direct cost effect of this form of opportunism is likely to be minimal and can result in the opportunistic party experiencing a revenue gain in the short term. However, in the long term, this form of opportunistic behaviour can cause severe partner inflexibility that can prevent the relationship from being modified to reflect new circumstances. In other words, there may be a different revenue effect in the form of forgone revenues from appropriate adaptation (Wathne & Heide, 2000). The “Cola Wars” serves as an appropriate example of passive opportunism under new circumstances (Muris, Scheffman & Spiller, 1992; Wathne & Heide, 2000). In the 1980s, there was a need for rapidly changing strategies in the form of new product introduction, packing, promotional deals, advertising content and pricing (Muris *et al.*, 1992). During this period, the failure to make strategic adjustments created a considerable competitive disadvantage for many companies. In the soft drink industry, specifically, many independent bottlers not only refused to participate in the various programs, but opportunistically extracted “special concessions” in exchange for participation (Muris *et al.*, 1992). For example, Coca Cola’s inability to restructure its bottler agreements under new market conditions led to the company finding itself at a competitive disadvantage (Muris *et al.*, 1992; Wathne & Heide, 2000). Hence, overall wealth creation may be impeded – which, in turn, can hurt parties in the relationships.

Cell 3 entails active opportunism under existing circumstances (violation) that describes the situation in which one party is engaging in behaviours that were explicitly or implicitly prohibited (Wathne & Heide, 2000). This form of opportunistic behaviour might increase the victimised party’s direct costs. For example, a manufacturer that is concerned about opportunistic violations of distribution restrictions may need to invest in systematic and costly monitoring efforts. Furthermore, from a revenue standpoint, the opportunistic party’s gains from territory violations can come at the expense of other distributors whose revenue streams are reduced (Wathne & Heide, 2000). Dutta, Heide and Bergen (1999) claim that these distributors’ service provision may become subjected to free-riding as a result of the violation that has occurred. Hence, the manufacturer’s revenues may suffer as well, due to other distributors reducing their support of the focal party (Wathne & Heide, 2000).

Lastly, in Figure 3.2, the fourth cell depicts opportunism under new circumstances (forced renegotiations). In this situation, one party uses the new circumstances to extract concessions from the other, as in the aforementioned case regarding the relationship between Coca Cola and

its bottlers. The most apparent consequence of this form of opportunistic behaviour is a redistribution of wealth in the magnitude of the concessions in question. However, there are also cost and revenue effects that are more subtle in nature (Wathne & Heide, 2000). Furthermore, this form of opportunistic behaviour can give rise to opportunity-excessive costs (Masten, 1993; Wathne & Heide, 2000). In other words, the main costs associated with this type of opportunism comes from transactions maladapted to the environment (Williamson, 1991; Wathne & Heide, 2000). Hence, in the long run, a failure to adapt can limit both parties' potential gains (Wathne & Heide, 2000).

3.5 UNCERTAINTY

Well-established in a variety of disciplines such as management, business and economics, uncertainty has been a key factor in influencing firm behaviour as well as shaping dynamics regarding managerial decision-making (Simon, 1957; Thompson, 2003; Tangpong *et al.*, 2016). Several authors (e.g. Abosag *et al.*, 2015; Abosag *et al.*, 2016; Baker, 2009; Ting *et al.*, 2007) theorise that uncertainty can result in the onset of dark side behaviour between partnering firms. In particular, Abosag *et al.* (2016) suggest that when a business relationship becomes characterised by intolerable uncertainty, parties are often more likely to pursue self-interest instead of mutual interest as they might lack the necessary information needed to make confident predications concerning their relationship. Thus uncertainty, if not managed appropriately, can result in potentially damaging behaviours. Drawing from the abovementioned arguments, the current study identifies uncertainty as a possible antecedent of dark side behaviour. In the following section, the concept of uncertainty will be discussed, along with different types – namely contextual, relationship and decision-making uncertainty.

3.5.1 Concept of uncertainty

The Encarta Dictionary define uncertainty as “the doubt or lack of accurateness” (Rich, Geersbro & Ritter, 2010). Uncertainty is antonymous with certainty which in terms of business relationships can refer to an accurate, deterministic prediction of future occurrences (Rich *et al.*, 2010). Thus, prediction in this case implies that the object of uncertainty is related to the future, not to the past (Rich *et al.*, 2010). In other words, uncertainty is not a lack of interpretation of the past, but rather the inability to accurately predict the future of business-to-business partnerships. This explanation is parallel to that of Milliken (1978:135) who describes uncertainty as “an individual's perceived inability to predict something accurately”. The notion

of an individual perception indicates that uncertainty is subject-specific and resides in the “eye of the beholder” (Rich *et al.*, 2010). Different individuals, or different parties in a business relationship, may therefore have varying degrees of perceived uncertainty regarding a similar situation. Thus, a party’s perception pertaining uncertainty can be divided into two levels of analysis, namely collective uncertainty and individual uncertainty (Rich *et al.*, 2010). Individual uncertainty refers to elements of the future that a specific partner perceives as uncertain, but its counterparty acknowledges as certain. Collective uncertainty, on the other hand, focuses on elements of the future that no-one can predict and that are collectively unknown (e.g. random events caused by natural forces or accidents) (Rich *et al.*, 2010). Several authors (Rich *et al.*, 2010; Anderson *et al.*, 1994; Leonidou *et al.*, 2006) maintain that both individual uncertainty and collective uncertainty exist in business-to-business relationships as uncertainty is an integrated part of life (collective uncertainty), as well as due to relationship boundaries that prevent partnering firms from perceiving the “bigger picture” which, as result, can cause individual uncertainty.

Similarities can be found between Rich *et al.* (2010) and Ting, Chen and Bartholomew’s (2007) definitions of uncertainty. Ting *et al.* (2007) describe uncertainty as “an inability to attach a probability to different states of the nature of outcomes”. Both of these definitions address uncertainty as entailing influential attributes, namely limited information and bounded rationality. Gifford, Bobbitt and Slocum (1979) suggest that parties will find themselves in uncertain situations if they lack critical information needed to make a precise judgement or predictions. When partnering firms have incomplete information regarding their environment, relationship or counterparty, opportunistic behaviour can arise (Ting *et al.*, 2007). Whang (1992) implies that, given limited information, parties will more likely make decisions in their own interest as means to decrease vulnerability and reduce possible negative outcomes. Hence, parties may experience increased vulnerability due to opportunism that occurs in the relationship. With regard to bounded rationality, business partners may be unable to foresee all of the situations that could potentially result in opportunism and dark side behaviour (Ting *et al.*, 2007). These situations are usually characterised by high levels of uncertainty as the actions of one party can only be observed with clarity (Landry & Amara, 1998).

This study, however, adopts a more specific definition of uncertainty that more accurately describes the appearance of uncertainty in business-to-business relationships. Pfeffer and Salancik (1978:578) defines uncertainty as “the degree to which an organisation cannot anticipate or accurately predict the future of its relations with another, resulting mainly from problems in having adequate, relevant, and timely information available”. This definition,

similar to the previously mentioned definitions of uncertainty, addresses the importance of information and how a lack of it can increase uncertainty within business relationships (Ting *et al.*, 2007; Whang, 1992; Rich *et al.*, 2010; Gifford *et al.*, 1979). Additionally, a distinction can also be made between uncertainty in general and business uncertainty (Abosag *et al.*, 2015). Achrol and Stern (1988) define uncertainty as the extent to which a party has sufficient information to make key decisions, as well as the ability to confidently predict the consequences of these decisions. However, business uncertainty more specifically refers to the unanticipated changes in circumstances concerning partners' business exchanges (Noordeweir *et al.*, 1990). Hence, uncertainty in business relationships make it more challenging to predict partners' demands and requirements, as well as foreseeing the outcomes of decisions (Kohli, 1989).

3.5.2 Types of uncertainty

Eriksson and Sharma (2003) describe uncertainty as a construct characterised by complexity and multidimensionality. In a business-to-business context, uncertainty comprises of three relevant dimensions that address various aspects of a relationship, namely contextual, relationship and decision-making (Eriksson & Sharma, 2003). In order to accurately explore the construct of uncertainty, these aforementioned dimensions are examined as each addresses a specific aspect of uncertainty in business relationships and can potentially explain why certain dark side behaviours surface in partnerships.

Contextual uncertainty

Environmental uncertainty is defined as the uncertainty inherent to the environment in which business partners operate, and it often refers to the difficulty to accurately predict the condition of the operating environment (Buchko, 1994; Tangpong, Li & Hung, 2016). This definition aligns with Leonidou, Barnes and Talias' (2006) definition that refers to environmental uncertainty as the difficulties pertaining to planning effectively for future conditions concerning the business relationship that is caused by both diversity (i.e., the existence of multiple external factors which need to be considered when making decisions) and dynamism (i.e. changes in external factors over time) associated with the external operating environment. However, due to human cognitive limitations, it is not possible for parties to perceive the external environment in its entirety (Eriksson & Sharma, 2003). As environmental context affects parties' perception of relationship cooperation, the concept of contextual uncertainty addresses these human limitations, and is based on parties' interacting with their environment in order to obtain

feedback regarding the adequacy of their cognition (Eriksson & Sharma, 2003; Achrol & Stern, 1988). The current study thus refers to environmental uncertainty as contextual uncertainty, as the surrounding environment is not objective (Eriksson & Sharma, 2003), and parties' perception regarding their environment is often shaped by their knowledge (Achrol & Stern, 1988).

Contextual – or environmental – uncertainty can arise from rapid change in the environment in which a business relationship operates (e.g. rapid technological changes, unpredictable actions of competitors, changing customer preference, as well as high rates of changes in output) (Kumar, Scheer & Steenkamp, 1995; Lee, Yeung & Cheng, 2009). Because of this volatile dynamism of the operating environment, it is suggested that contextual uncertainty comprises of two dimensions (Lawrence & Lorsch, 1969), namely unpredictability (the rate of change and causal relatedness of environmental events) and complexity (the heterogeneity and interdependence of environmental factors) (Lawrence & Lorsch, 1969). Eriksson and Sharma (2003) imply that, the more volatile the environment becomes, the more parties are confronted with uncertainty due to the higher levels of unpredictability and complexity characterising their operating environment. These underlying elements of unpredictability and complexity contribute to the identification of uncertainty as a potential antecedent of dark side behaviour (Abosag *et al.*, 2015). Ting *et al.* (2007) explain that, due to the lack of knowledge often associated with uncertainty regarding the future operating environment, firms may become tempted to make decisions in their own interest and, consequently, leave other parties vulnerable to opportunistic behaviour. Hence, the argument of contextual uncertainty as an antecedent of dark side behaviour is consistent with argument of the relational approach to marketing, which infers that contextual uncertainty is caused by the unpredictable nature of the environment (Eriksson & Sharma, 2003). In other words, due to the turbulent environments in which business relationships operate, parties often lack knowledge of cause-effect relationships, as well as the timing of change (Eriksson & Sharma, 2003). This lack of information pertaining to their surrounding environment and the future operations within it, can lead to parties relying on their current knowledge and making decisions out of self-interest (Abosag *et al.*, 2016).

Relationship uncertainty

In literature, relationship uncertainty has been referred to as internal uncertainty (Leonidou *et al.*, 2006) as well as behavioural uncertainty (Tangpong *et al.*, 2016). Anderson, Hakansson

and Johanson (1994) explain that internal uncertainty exists when one party in a working relationship cannot adequately predict the future status, direction or outcomes of their partner. This type of uncertainty focuses mainly on the business relationship itself and can be attributed to several reasons – for example, poor understanding of the specific roles of involved parties, inadequate exchange information, and difficulties in measuring the costs and benefits of the relationship (Eriksson & Sharma, 2006). Additionally, Zaheer and Venkatraman (1995) define behavioural uncertainty as uncertainty stemming from the inability to accurately predict the behaviours of parties in a business relationship, and is often associated with the likelihood of the manifestation of opportunism in business relationships (Sutcliffe & Zaheer, 1998). The current study, however, addresses this type of uncertainty as “relationship uncertainty” and adopts Eriksson and Sharma’s (2006) definition of relationship uncertainty as the uncertainty regarding future behaviour of counterparties, as well as the outcome of present cooperation, due to the impact of decision-makers’ bounded rationality.

There are two sources of relationship uncertainty (Eriksson & Sharma, 2003). Firstly, partnering firms may operate independently from one another, and their intentions concerning the relationship may overlap only partly. Thus, business partners may not be fully aware of each other’s goals and expectations, which may cause uncertainty in the relationship as parties might be unsure how to proceed with relationship operations (Eriksson & Sharma, 2003). Secondly, the resources within cooperating firms are different due to the historic and path-dependent process linked to the development of resources within parties (Barney, 1996). In this case, neither party is fully aware of the resources of the other and, therefore, decision makers may be inadequately informed regarding relationship resources (Nelson & Winter, 1982). Subsequently, cooperative relationships very often entail uncertainty, and intentions may not always translate into actions (Eriksson & Sharma, 2003). This lack of linkage between intentions and actions, along with inadequate information pertaining to resources, can result in the onset of dark side behaviour in business relationships (Abosag *et al.*, 2016).

When considering the impact of relationship uncertainty on business partnerships, it is important to acknowledge that parties are also exposed to outcome-related uncertainty. Although partners behave and commit accordingly, the future outcome of a relationship remains uncertain (Eriksson & Sharma, 2003). Therefore, the future outcomes of a business relationship can be influenced by internal factors, as well as its operating environment (Leonidou *et al.*, 2006). This study recognises the potential impact of contextual/environmental uncertainty on relationship uncertainty, as a party’s perception of unpredictability and complexity regarding its environmental context may influence beliefs about a firm-environment interface (Eriksson

& Sharma, 2003). Several authors (e.g. Eriksson & Sharma, 2003; Leonidou *et al.*, 2006; Ting *et al.*, 2007) argue that it is expected that contextual uncertainty will define relationship uncertainty and that adverse environmental factors, for example, can have a negative effect on dyadic business relationship cooperation. Therefore, relationship uncertainty, if left unmanaged, can result in potentially detrimental behaviours and, consequently, symptoms of dark side behaviour.

Decision-making uncertainty

Partners' perception of uncertainty with regard to cooperative relationship behaviour can be shaped by the internal resources, structure and routines of involved parties (Eriksson & Sharma, 2003). Several authors (e.g. Cyert & March, 1963; Nelson & Winter, 1982) imply that a firm's resources, routines and structures assist parties in collecting and interpreting information, as well as with making decisions based upon the gathered information. Thus, parties' individual decision making capabilities are affected by their perception of a decision situation which, in turn, is determined by internal factors of a party, such as a firm's dynamics of social interaction in the relationship (Schein, 1965), available resources (Thompson, 1996) and organisational culture (Schein, 1985). Eriksson and Sharma (2003) infer that organisational routines and processes can potentially influence the perceptions held by each party concerning the match between the needs and capabilities of business partners, as well as the uncertainty pertaining the cooperative relationship. In the case of decision-making uncertainty, managers often lack comprehensive knowledge regarding the internal operations of the relationship. As a result, decisions are often made based on speculations regarding counterparties' actual internal operations, as well as their actions and behaviour (March & Olsen, 1976). Therefore, due to incomplete information and knowledge, intolerable uncertainty can emerge in business relationships as "there is uncertainty in situations where there is a choice" (Eriksson & Sharma, 2003:964). Additionally, business-to-business literature acknowledges that, the more familiar a decision-maker is with the resources and internal workings of its own firm and also the operations of its counterparty, the more confident they will act in a decision situation.

Similar to relationship uncertainty, Eriksson and Sharma (2003) recognise that decision-making uncertainty can also be affected by contextual uncertainty. Although firms adapt to their context in order to make sense of their situation (Lawrence & Lorsch, 1967), this process of adaption requires advanced learning skills that are difficult to acquire to be in place (Argyris & Schon, 1978). In other words, the more uncertain the environment in which partnering firms operate,

the more difficult and resource consuming it is for parties to adapt to its context and the relationship (Eriksson & Sharma, 2003). Abosag et al. (2016) suggest that uncertainty can transition from a tolerable component of business relationships to an intolerable dark side element when organisations fail to learn from uncertain situations or are unable to manage uncertainty. Hence, knowledge and information concerning the business environment and its key players (e.g. business partners, alternative partners, third parties, etc.) is fundamental for the assessment of future relationship efficiency and desirability (Eriksson & Sharma, 2003).

3.6 CONCLUSION

In summary, the current chapter identifies potential antecedents of dark side behaviour (namely, trust, shared values, opportunistic behaviour and uncertainty), which may further result in the onset of certain behavioural outcomes that can damage relational ties between business partners. These antecedents are described as “natural” to any partnership in the sense that they are usually present in any relationship but often differ in terms of intensity (Fang *et al.*, 2011; Baker, 2009). Abosag et al. (2016) argue that when these constructs – identified as antecedents in this chapter – are not monitored continuously and left unmanaged, they can cause damaging behaviours which consequently may harm a relationship. Several authors (e.g. Anderson & Jap, 2005; Barners, 2005; Fang, Chang & Peng, 2011; Abosag *et al.*, 2016; Villena, Revilla & Choi, 2011) agree that, in order to ensure relationship success, it is not enough to only focus on positive relational elements, as parties must safeguard themselves against negative perception, actions and behaviours. It is therefore possible that the conscious reduction of negative impacts pertaining to dark side behaviour can have a greater effect on partnerships than merely focusing on the development and maintenance of positive relational drivers (Baumesiter *et al.*, 2001). For this reason, potential antecedents of dark side behaviour are investigated in order to obtain a better understanding of how the management – or lack of it – can result in certain attitudes and behaviours that might influence relational dynamics adversely and thus affect relationship efficiency, desirability and contingency.

CHAPTER 4: BEHAVIOURAL OUTCOMES OF DARK SIDE BEHAVIOUR

4.1 INTRODUCTION

It is a known truth that there is no such thing as a perfect relationship. Just like the institution of marriage and romantic affairs possess undesirable attributes that can cause manipulation, insecurities and conflict to arise, business partnerships also retain an ever-present negative component. However, the behaviours and attitudes that often lead to the appearance of relational problems, are generally caused by specific characteristics inherent to the relationships and involved parties. In the previous chapter, possible antecedents were identified and examined in order to obtain a better understanding of how dark side behaviour can occur in business relationships. Although every relationship is different and can entail situation-specific antecedents (Abosag *et al.*, 2016), the current study adopts those that have most commonly been identified as harmful or potentially dangerous to business relationships. In the current chapter, the potential behavioural outcomes of these antecedents are explored, which entail the constructs of conflict (functional and dysfunctional), power (non-coercive and coercive), dependence, and commitment (see Table 4.1). Several authors (e.g. Anderson & Jap, 2005; Abosag *et al.*, 2015; Abosag *et al.*, 2016; Baker, 2009; Lund *et al.*, 2015) suggest that these aforementioned outcomes can result in more intense detrimental behaviours and attitudes that may damage relational bonds between partners severely. Abosag *et al.* (2016) refer to these consequences of behavioural outcomes as “symptoms” of dark side behaviour – which will be discussed in Chapter 5.

The current chapter explores each of the abovementioned constructs identified as behavioural outcomes in the context of business relationships. Conflict, power, dependence and commitment are examined through the exploration of their respective conceptualisations and dimensionality, as well as other factors that could potentially offer more insight into how these constructs can result in symptoms of dark side behaviour.

Table 4.1 Behavioural outcomes of dark side behaviour in business relationships

Behavioural outcome	Definition	Source
Functional conflict	Conflicting situations in which differences in opinions regarding tasks, procedures, strategy, and other business-related issues are openly discussed and resolved, which consequently facilitates the strengthening of relational bonds.	Skarmeas, 2006
Dysfunctional conflict	Strong disagreements, underlying emotions, and negative actions (e.g. attacks, clashes and sarcasm) that create frustration and hostility among parties.	Pfajfar <i>et al.</i> , 2017
Non-coercive power	A mechanism that references or mediates positive consequences for compliance.	Gundlach & Cadotte, 1994
Coercive power	A mechanism for gaining compliance from another party that reference and mediates negative consequences for noncompliance.	Gundlach & Cadotte, 1994
Dependence	A firm's need to maintain a relationship with a desirable partner in order to achieve certain goals and objectives.	Frazier, 1983
Commitment	An exchange partner's belief that a particular relationship is so important it must be maintained, and that it is worth developing even further in order to warrant it endures indefinitely.	Morgan & Hunt, 1994

4.2 CONFLICT

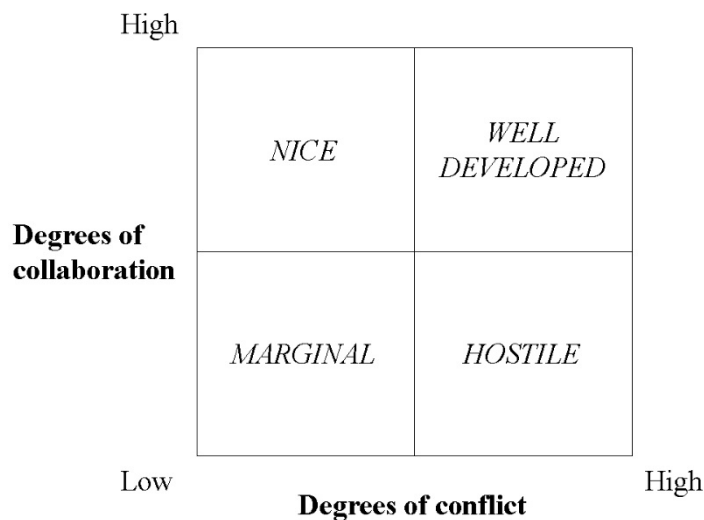
Conflict is commonly described as tension that exists between social entities due to real or perceived differences (Raven & Kruglanski, 1970) and is considered an inevitable part of relationships (Stern & El-Ansary, 1992). More specifically, in relevance to business partnerships, IMP literature describes conflict as “a measure of differences between partners over the direction of the relationship or involving their respective contributions and benefits (Johnsen & Lacoste, 2016:78). Several authors (e.g. Frazier, 1999; Skarmeas, 2006; Thomas, 1992) recognise it to be one of the major constructs used in describing channel relationships, as it addresses the incompatibility of activities between parties. However, Skarmeas (2006) and Zhou et al. (2007), suggest that conflict can be perceived as either a positive or negative relational force depending on (1) the particular relationship under scrutiny, (2) the distribution of power among parties, and (3) whether the conflict is classifies as functional or dysfunctional. Therefore, because conflict can affect the direction and dynamic of relationships, the current study adopts conflict as a potential behavioural outcome that may arise due to certain relational characteristics, as well as cause dark side symptoms to surface in business partnerships.

4.2.1 Definition of conflict

Conflict in relationships has been studied extensively throughout many disciplines (Reid, Pullins, Plank & Buehrer, 2004). Conflict is most frequently defined as the perception of a channel member that its goal attainment is being impeded by another, with stress or tension as

result (Gaski, 1984). In business-to-business context, however, conflict is more specifically described as “a breakdown or disruption in normal activities in such a way that the individuals or groups concerned experience difficulty working together” (Yandle & Blythe, 2000:14). The abovementioned authors, along with others (e.g. Vaaland & Hakansson, 2003; Gadde & Hakansson, 1993; Coser, 1956), agree that the concept of conflict should be investigated through the examination of two perspectives. The first perspective recognises conflict as a disease in relationships that can result in disruptive, dissociating and dysfunctional consequences (Coser, 1956). Firms often try to avoid this type of conflict, or to reduce its consequences, out of fear that too little coherence can result in destructive behaviours and the dissolution of relationships (Vaaland & Hakansson, 2003). The second perspective entails a more ambiguous view regarding the assessment of relational costs and benefits (Vaaland & Hakansson, 2003). According to Gadde and Hakansson (1993), the functionality of conflict can be illustrated along two axes: the first indicating the degree of collaboration between parties, and the second referring to the degree of conflict in connection with business relationships. In Figure 4.1, the dimensions of collaboration and conflict are used to generate four possible combinations pertaining to the nature of conflict in business relationships (Gadde & Hakansson, 1993:75).

Figure 4.1 Degree of conflict versus degree of collaboration



Source: Gadde & Hakansson (1993)

Figure 4.1 explains that a low degree of conflict may either cause a marginal relationship in which none of the parties involved benefit in terms of complementarity, or the relationship may

be “nice”. In this case, a “nice” relationship may be characterised by transaction efficiency and well-developed institutional mechanisms for handling hostility (Gadde & Hakansson, 1993:75). However, if a relationship is characterised by a high degree of conflict and a low degree of collaboration, efficiency might become a problem and may eventually result in relationship termination (Gadde & Hakansson, 1993). Finally, Vaaland and Hakansson (2003) emphasise that a partnership characterised simultaneously by a high degree of conflict and collaboration, can indicate that a relationship is well-developed. Thus, an interfirm partnership that falls in this fourth quadrant often possesses the competence and insight to manage conflict before it results in the onset of dark side behaviour (Abosag *et al.*, 2016).

4.2.2 Stages of conflict

Vaaland and Hakansson (2003) elaborate on the conceptualisation of conflict by highlighting three important attributes. Firstly, conflict comprises of a sequence of interlocking episodes that refers to its gradual escalation in business relationships (Vaaland & Hakansson, 2003). This sequence entails five episodes, or stages. The first stage is characterised by latent conflict, which refers to underlying relational tensions that have not yet evolved into a defined dispute between partners (Moore, 2014). Latent conflict tensions can arise, when two or more parties are dependent on each other to achieve desired objectives, or due a problem that is not yet fully defined (Moore, 2014; Vaaland & Hakansson, 2003). This stage is typically accompanied by factors that can potentially cause conflict within the relationship – mainly factors such as goal incompatibility, domain dissensus and differences in perception (Duarte & Davies, 2003). In the second stage perceived conflict arises, which could potentially stem from latent conflict. However, if there is no preceding latent conflict, perceived conflict mostly surfaces due to misunderstandings regarding parties’ intentions. Also, it is usually during this stage of perceived conflict that parties become aware of the problem or the incompatibility of their objectives. In the third stage, conflict is not only perceived but also felt and cognised. Felt conflict is characterised by the personalisation of conflict, which causes parties to focus on the dysfunctionality often associated with conflict and how it makes them feel. The fourth stage entails manifest conflict, during which parties engage in behaviour that evoke a response from one another. These responses may include aggression, apathy and opportunism, as well as other dark side behaviour associated with conflict that can result in destructive and undesirable business relationships. The fifth and final stage focuses on the aftermath or outcome of conflict, which is often explored in terms of the development of each conflict stage that is determined

by a complex combination of effects of preceding episodes and the environment (Vaaland & Hakansson, 2003).

4.2.3 Dimensions of conflict

Several authors (e.g. Johnsen & Lacoste, 2016; Abosag *et al.*, 2015; Massey & Dawes, 2007) infer that conflict can either strengthen the relationship, or cause detrimental attitudes and behaviours to arise (Abosag *et al.*, 2016; Skarmeas, 2006). Johnsen and Lacoste (2016) address the component of bipolarity in conflict by suggesting two opposing sides, or dimensions. These positive and negative ends of conflict have been frequently termed throughout business management literature as functional and dysfunctional conflict, respectively.

Functional conflict

Functional conflict usually refers to differences in opinions regarding tasks, procedures, strategy, business ideas and other business-related issues that tend to be openly discussed and resolved, and as result facilitate the strengthening of the relationship (Skarmeas, 2006; Pfajar, Shoham, Brencic, Koufopoulos, Katsikeas & Mitrega, 2017). This dimension of conflict has often been referred to “healthy conflict” as it usually produces positive outcomes that result from “the open-minded contesting of the diverse perspectives that is generally superior to individual perspectives” (Skarmeas, 2006:568). Frazier (1999) claim that, although disagreements between partners are an unavoidable component of business relationships, conflict derived from these disagreements can rejuvenate, develop and strengthen bonds if managed correctly. Therefore, functional conflict can increase collaboration efficiency between partnering firms as well as generate favourable relationship outcomes (Jehn & Mannix, 2001). For example, in a business relationship characterised by functional conflict, partners are often more willing to look at and accept new ideas, as well as to be open to beneficial changes suggested by counterparties (Pfajfar *et al.*, 2017; Menon, Bharadwaj & Howell, 1996). In addition, literature regarding relationship marketing suggest that high levels of functional conflict may stimulate specific structuring ties that can improve the pattern and quality of interactions between parties, as well as coordinate relationship activities (Katsikeas, Skarmeas & Bello, 2009). Functional conflict, if managed properly, can therefore strengthen the structure of partner relations by improving the quality of connections and the intensity of interactions among partnering firms (McEvelly, Perrone & Zaheer, 2003).

Dysfunctional conflict

Dysfunctional conflict refers to strong disagreements, underlying emotions, and negative actions (e.g. attacks, clashes and sarcasm) that create frustration and hostility among parties (Pfajfar *et al.*, 2017). In a relationship characterised by negative feelings, attitudes and behaviours, stagnation can result in terms of interactivity between partnering firms (Pfajfar *et al.*, 2017). Skarmeas (2006) explains that an undesirable relational climate can pull apart and disintegrate business relationships – especially if such a situation persists and conflicting issues are not managed and resolved. Firms are less willing to explore new ideas, make adaptations or accommodate their counterparty's behaviour or suggestions if their relationship is characterised by friction, anger and hostile feelings (Pfajfar *et al.*, 2017). Dysfunctional conflict can lead to the emergence of serious problems that can interfere with the achievement of relationship goals (Webb & Hogan, 2002). Pfajfar *et al.* (2017) suggest that dysfunctional conflict is also unable to motivate parties to be proactive in their interactions, as proactivity often requires mobilizing behaviour to produce positive relationship outcomes. Therefore, due to a lack of efficient connections made between members, as well as limited mobilising forces, relationships characterised by dysfunctional conflict may undermine relational outcomes and result in poor performance for partners involved (Katsikeas *et al.*, 2009).

4.3 POWER

The concept of power in relationship marketing literature has received irregular and contrasting treatment from several authors (e.g. Hingley, 2005; Meehan & Wright, 2012; Wang, Huo, Tian & Hua, 2015). Among those who recognise the concept of power as “alien” to the effective workings of business relationships, Hingley (2005) identifies power as negating in terms of cooperation. However, the negative view surrounding power is not deemed universal. An opposing perspective comes from a number of authors (e.g. Svensson, 2001; Kalafatis, 2002; Earp, Harrison & Hunter, 1999) who emphasise that not all partnerships result in mutual benefit, as they are not characterised by an equal distribution of power, nor do they always have to be. However, power “as the potential to influence” is implicit in all relationships (Meehan & Wright, 2012:669). The possession of power is critical as it can position firms to control and direct the actions and decisions of business partners (Johnsen & Lacoste, 2016). Thus, because the distribution of power between partnering firms can influence relationship structures and

dynamics, the execution of power is adopted as a behavioural outcome that can result in the onset of detrimental attitudes and actions. In this section, the concept of power is discussed, along with its dimensions and five-base typology of power by French *et al.* (1959).

4.3.1 Concept of power

There has been a long-lasting confusion regarding the concept of power, as well as ambiguity concerning the interpretation of its impact in relationships (Emerson, 1962; Bowles & Gintis, 1993; Dahl, 1957; French & Raven, 1968). Several authors (e.g. Cook & Emerson, 1978; Gaski, 1984) agree with Dahl's (1957) initial definition, which describes power as a situation in which one party can get another to act in a manner they usually would not. French and Raven (1968) focus on the components of influence and control to elaborate the aforementioned conceptualisation by defining power as a force induced by a party on another in order to bring about a certain change. Influence is distinguished from control, as it is implied the stronger partner in a relationship will not be able to exercise control, if "weaker" parties are exposed to a stronger force from an alternative party (French & Raven, 1968). Power is thus defined as the maximum potential influence a party can induce upon another in a relationship (French & Raven, 1968; Rehme, Nordigarden, Ellstrom & Chicksand, 2016).

Building on Dahl's (1957) definition, Emerson (1962) elaborates by describing power according to a situation in which the power of actor A over actor B is the amount of resistance on the part of B which can be potentially overcome by A. Rehme *et al.* (2016) comment with regards to the component of "overcoming resistance" by inferring that Emerson's (1962) definition of power is more comprehensive than that of Dahl (1957), as the latter does not completely define the exercise of power in business relationships. In economics, the concept of power is primarily used to understand the share of value gained from a business relationship.

Relative profitability is sometimes used as a substitute for relative power (Rehme *et al.*, 2016). Bowles and Gintis (1993:88) define power as "the ability of furthering one's interests by imposing (or credibility threatening to impose) sanctions on another agent when the converse is not true". Consequently, when economists refer to the exercising of power in business relationships as "the impositions of sanctions", they imply the unwillingness of the influence (Bowles & Gintis, 1988). In this case, the focus is on the effects, or the potential effects, of power in monetary terms (Rehme *et al.*, 2016). In distribution channel literature, on the other hand, power is defined as the ability of a channel member to control their decision variables in the marketing strategy of another member in a given channel at a different level of distribution

(El-Ansary & Stern, 1992). Several authors (e.g. Hunt & Nevin, 1974; Etgar, 1976; Gaski, 1984) maintain that this perspective regarding power often connects the aspect of changing behaviour with that of value appreciation. A behavioural change is related to a firm's decision variables and the effects these decisions may have on the performance of the individual firm as well as its business relationships (Rehme *et al.*, 2016).

The current study acknowledges that, even though there are a number of earlier conceptualisations of power, it is Emerson's (1962) definition that is the commonly held operationalisation in the context of business-to-business research (Rehme *et al.*, 2016). Bierstedt (1950) emphasises that, as a universal phenomenon within all social relations, power has a wide scope and therefore requires precise definitions for specific research contexts. This study investigates the distribution of power within a partnership, as well as how an imbalance can result in dark side behaviour. Emerson's (1962) definition therefore appropriately addresses the capability of a partner to exert power over their weaker counterparty in order to obtain certain outcomes.

4.3.2 Five-base typology of power

Rehme *et al.* (2016) claim that, in order to fully comprehend the impact of power business relationships, it is important to acknowledge that its distribution among parties is based on several power bases that can result in behavioural change. Power research is predominantly rooted in French and Raven's (1959) five-base typology, which formalises the concept of power and also identifies five different sources of power that affect business relationships (Meehan & Wright, 2012). According to many authors (e.g. Bonoma, 1982; Gaski, 1986; Maumann & Reck, 1982) the five bases of power are often used as a measure of power in marketing and purchasing research. Meehan and Wright (2012) maintain that, although the typology of power is more attributional in nature, it can potentially capture information about why parties comply. In other words, the typology does not necessarily address how partners act in terms of exercising power, but it does provide a possible explanation as to why power can result in certain detrimental attitudes and behaviours.

Abolhasanpour *et al.* (2011) motivate that the typology of power can be used to define the various resources that influence the decisions of parties in business relationships. These resources establish the foundation for the sentiments that characterise the behaviour of parties (Abolhasanpour *et al.*, 2011; Skinner, Gassenheimer & Kelley, 1992).

French and Raven's (1959) typology of power comprises of five sources – namely reward, referent, legitimate, expert and coercive. Reward power refers to a partner's perception of its counterpart's ability to mediate and bestow rewards upon it (Rehme *et al.*, 2016; Abolhasanpour *et al.*, 2011; Skinner *et al.*, 1992; French & Raven, 1959). For example, in business relationships between organisations in a supply chain, parties can award their partners for satisfactory compliance with increased business negotiations and shared benefits from cost reductions (Maloni & Benton, 1999). Referent power is based on the identification of parties with one another (Abolhasanpour *et al.*, 2011; Skinner *et al.*, 1992). In other words, referent power, as a consequential base, focuses on the desire of organisations to identify with one another in order to obtain recognition by association (Abolhasanpour *et al.*, 2011; Skinner *et al.*, 1992, Maloni & Benton, 1999). Legitimate power is defined as the perception held by one party with regards to its partner's legitimate right to prescribe behaviour (Abolhasanpour *et al.*, 2011; Skinner *et al.*, 1992). Maloni and Benton (1999) claim that legitimate power, which includes both inherent and legal forms, addresses a party's belief regarding their right to influence counterparties. Expert power refers to the perception of one party that its partner possesses critical knowledge or unique expertise (Abolhasanpour *et al.*, 2011). Lastly, coercive power is based on the perception of one party in a business relationship that the other has the ability to mediate punishment (Abolhasanpour *et al.*, 2011; Skinner *et al.*, 1992; French & Raven, 1959).

4.3.3 Dimensions of power

Heide and John (1988) recognise power as a two-way interaction between parties engaged in a relationship. This countervailing bi-directional dynamic is considered central to all power analyses (Meehan & Wright, 2012). Several authors (e.g. French & Raven, 1959; Maloni & Benton, 2000; Zhao, Huo, Flynn & Yeung, 2008) identify two dimensions of power, namely non-coercive power and coercive power. Whereas non-coercive power is a mechanism that references or mediates positive consequences for compliance, coercive power can be defined as a mechanism for gaining party compliance that references and mediates negative consequences for noncompliance (Gundlach & Cadotte, 1994).

Non-coercive power

Many studies (e.g. Leonidou *et al.*, 2008; El-Ansary & Stern, 1992; Etgar, 1979; Frazier & Summers, 1984; Hunt & Nevin, 1974) have identified that the non-coercive dimension can

comprise of several bases of power from French and Raven's (1959) typology. These bases include reward power (based on the perception of one party that the other has the ability to mediate rewards), referent power (based on one party's identification with its counterparty), legitimate power (based on the perception of one party that the other has a legitimate right to prescribe behaviour), expert power (based on the perception of one party that its partner has some special knowledge or expertise) as well as information power (based on the perception of one party that another is in possession of some unique information) (French & Raven, 1959; Leonidou *et al.*, 2008). Thus, non-coercive power does not encompass any aggressive elements that might produce friction among parties (Leonidou *et al.*, 2008), but rather involves targeting admiration for the source and the provision of benefits for partners (Hunt & Nevin, 1974).

Frazier and Summers (1984) comment that non-coercive power can actually foster relatively high levels of agreement between partnering firms since it may to a large extent contain the inherent desirability to perform certain actions. For example, the use of non-coercive power can support effective communication between business partners, as well as the sharing of information and skills (Liu, Li & Zhang, 2010). When parties share information, they provide a signal of good faith and benevolent motives and intentions to counterparties (Doney & Cannon, 1997). Non-coercive power can generate benevolence which, when perceived by partners, can result in them choosing to invest more in the relationship as firms often feel pressure to reciprocate their partners' willingness to establish a benevolent relationship (Leonidou *et al.*, 2008; Abolhasanpour *et al.*, 2011). When firms share expertise, they might develop the belief that their partners are capable of fulfilling promises and are thus reliable (Doney & Cannon, 1997) which, in turn, can lead to greater relational value, interest, congruence, as well as higher levels of agreement among parties (Luo, Liu, Zhang & Huang, 2011; Leonidou *et al.*, 2008). Hence, the positive outcomes associated with non-coercive power, can result in an increase in partner credibility and the belief that both firms are motivated to developing the relationship (Jain, Khalil, Johnston & Cheng, 2014).

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Coercive power

In a business relationship, coercive power is based on the perception of one party that another party has the ability to mediate punishment if they do not comply with their requests (El-Ansary & Stern, 1992; Frazier & Summers, 1984; Hunt & Nevin, 1974). According to Goodman and Dion (2001) these punishments may, for example, entail the imposition of financial penalties, withholding crucial support and information as well as withdrawal from initial promises and

agreements. The execution of coercive power usually reflects aggressive, forceful and suppressive behaviours – which essentially forces the other party in a relationship to do things they would not otherwise have done (Frazier & Rody, 1991). When firms exercise measures of coercive power, tension and frustration can arise in the relationship as one partner might disapprove of the other's actions, or feel offended by something their counterparty has done (Rawwas, Vitell & Barnes, 1997; Frazier & Rody, 1991). Yu and Pysarchik (2002) argue that coercive power is generally employed when one party ignores (or pretends to ignore) a problem concerning the relationship, adopts a non-compliant behaviour, or produces poor results. Thus, coercive power can influence the onset of dark side behaviour as it can result in suppressing a firm's willingness to cooperate in the long-term (Dapiran & Hogarth-Scott, 2003), intensify conflict and clashes between parties (Gaski, 1984; Lusch & Brown, 1982), negatively affect overall relationship satisfaction (Leonidou *et al.*, 2008), increase perceived costs (Ramaseshan, Yip & Pae, 2006) as well as cause communication difficulties (Leonidou, 2004). Many empirical studies (e.g. Lee, 2001; Frazier & Rody, 1991; Rawwas *et al.*, 1997; Yu & Pysarchik, 2002; Abolhasanpour *et al.*, 2011) have found that the execution of coercive power is both risky and counterproductive as it can cause typically good-functioning business relationships to become destructive and ineffective.

4.4 DEPENDENCE

Dependence is often defined as the obverse of power (Emerson, 1962). Some authors (e.g. Gaski, 1984; Caniels & Gelderman, 2007; Handley & Benton, 2012) even identify power and dependence as conceptually inseparable. Many channel behaviour studies conducted in Western countries have supported, explicitly or implicitly, the causal relationship between power and dependence (e.g. Gaski, 1988; Frazier, 1983; Zhuang & Zhou, 2004). However, the current study accepts the arguments of those who oppose Gaski's (1984) work by distinguishing between power and dependence. These authors emphasise power as a firm's resource control and its behavioural influence over another (e.g. Pfeffer & Salancik, 2003; Caniels & Roeleveld, 2009; Kumar, 2005), whereas dependence focuses more on the importance to achieve a desired goal that is considered superior to alternative options (Buchanan, 1992; Emerson, 1962; Schmitz *et al.*, 2016). Although it is comprehensible why power and dependence are often treated as a single construct, for the purpose of the current study it is deemed more sensible to address them separately. Schmitz *et al.* (2016) argue that the notion of behavioural power used in a business-to-business context equips the power construct with a slightly different notion than that of dependence.

Furthermore, several authors maintain that some degree of dependence among business partners can be beneficial as it may lead to an increase in information sharing (Barnes, Naude & Michell, 2005), mutual adaptations made on behalf of parties (Heide & John, 1988), higher relational satisfaction (Andaleeb, 1996), and better relationship performance (Buchanan, 1992). However, excessive level of dependence can result in the loss of strategic flexibility and shifting power (Harrison *et al.*, 2012). Thus, as it can result in the onset of detrimental attitudes, the current study adopts dependence as a behavioural outcome caused by several relationship factors which possess an inherently “dark” component.

4.4.1 The concept of dependence

Schmitz, Schweigger and Draft (2016) identify dependence as an important component in the development of cooperative relationships. Emerson (1962) defines dependence as a party's need to rely on the contribution of another in order to obtain certain goals. In a business-to-business context, dependence can emerge when the outcomes of a particular relationship with a specific partner is superior to the outcomes of potential alternatives that are available (Anderson & Narus, 1990). Parallel to the notions of the abovementioned authors, the current study adopts Frazier's (1983) definition which describes dependence as a firm's need to maintain a relationship with a desirable partner in order to achieve certain goals and objectives.

Schmitz *et al.* (2016) elaborate on the conventionalisation of dependence by acknowledging two theoretical lines of thought that can predominantly explain and support the notion of dependence in business partnerships, namely transaction cost theory and resource-dependence theory. The transaction cost theory argues that increased switching costs can lead to the creation of bonding effects between business partners (Rindfleisch & Heide, 1997). Geiger *et al.* (2012) elaborate on the possible association between the transaction cost approach and dependence by emphasising that, in order for a business relationship to be truly of value, it requires relationship-specific investments (e.g. dedicated knowledge or assets) from both parties involved. This augmented relational investment could potentially lead to an increase in relationship switching costs, as well as the emergence of an unequal distribution of dependence among parties (Bendapudi & Berry, 1997; Schmitz *et al.*, 2016). The transaction cost theory also provides valuable insight into how the appearance of dependence can result in the onset of dark side business behaviour (Baker, 2009). For example, when parties draw closer together, switching to alternative partners can put them at a disadvantage rather than benefit them. Thus, when a

firm becomes overly dependent on a particular relationship, they might become “entrapped” and incapable of functioning at full capacity on its own.

Resource-dependence theory emphasises a firm’s need to rely on external resources in order to operate in certain environment (Schmitz *et al.*, 2016). Hillman, Withers and Collins (2009) explain that power relations that emerge from resource exchanges between parties, can potentially create dependencies on behalf of the weaker partner. For example, when a firm cannot operate on their own, or achieve their goals without another party’s resources, they develop a sense of relationship dependency. Consequently, dependence can allow for the appearance of relationship symptoms that might be harmful for involved parties. The resource-dependence theory can therefore explain why certain factors of dark side behaviour manifest in business relationships.

4.4.2 Sources of dependence

Sources of dependence can be grouped into three main categories, namely relational sources, partner-inherent sources and market-related sources (Schmitz *et al.*, 2016). Relational sources comprise of reasons that underlie the business relationship between partnering firms (Schmitz *et al.*, 2016). For example, several authors (e.g. Laaksonen, Pajunen & Kulmala, 2008; Kopfer, Kotzab, Corsten & Felde, 2005; Casciaro & Piskorski, (2005) infer that a closely integrated partnership is likely to become dependent because of (1) the mutual adaptation of involved parties, (2) close exchange relationship, or (3) joint investment. Partner-inherent sources possess knowledge or specific capabilities, as well as access to tangible and intangible resources that are linked to the specific partner (Laaksonen *et al.*, 2008). Market-related sources of dependence refer to the lack of alternative options (or sources) on the market to replace the incumbent partner (Harrison, Beatty, Reynolds & Noble, 2012; Handley & Benton, 2012).

4.4.3 Dimensions of dependence

Svensson (2004) maintain that a partnership’s perceived dependence can be influenced by factors such the composition of the relationship, the number of existing alternative partners, as well as the amount of preventive activities. The level of dependence within a business relationship can also be influenced by a manifold of economic, social and technical nature (Hakansson & Snehota, 1995). Hammerkvist, Hakansson and Mattsson (1982) identify a set of underlying dimensions of dependence which includes technical, time, knowledge, social and

economic/juridical dependencies. In addition to the abovementioned dimensions, the current study also acknowledges two other dimensions identified by Mattsson (1997), namely market and IT dependence. Table 4.2 provides a summary of the dimensions of dependence that can potentially influence business relationships.

Table 4.2 Dimensions of dependence

Dimension	Explanation
Technical	Technical dependence refers to the situation in which parties engaged in a relationship use compatible equipment, as well as alter their mutual business activities according to each other's technical requirements.
Time	Time dependence entails a time-based need, or synchronisation, of mutual business activities between two parties.
Knowledge	Knowledge dependence can be described as the interaction process between business partners during which they learn about each other's strengths and weaknesses. This interaction creates knowledge regarding each other's ability to solve problems.
Social	Social dependence refers to the interaction process between parties that is generally based on personal relations. In other words, the social atmosphere and the personal chemistry between partnering firms can affect the business activities of their relationship.
Economic/juridical	Economic, or juridical, dependence can be defined as the formal dependence that may exist between partners (e.g. written agreements). This dimension can potentially strengthen the dependence between partnering firms' business activities in an economic and juridical sense.
Market	Market dependence includes a firm's image and status which may positively influence its counterparty's image and status. Hence, one party might become dependent on another due to an increase in their goodwill in the marketplace brought on by their relationship.
IT	IT dependence refers to a situation in which business partners may have invested in a common IT-standard, for example, in terms of electronic data interchange. This means that their hardware and software used to communicate with each other are compatible.

Source: Hammarkvist *et al.* (1982) & Mattsson (1997)

According to Hammarkvist *et al.* (1982) and Mattsson (1997), dependence is often referred to as a natural force in business relationships and it can include either all or just some of the dimensions stipulated in Table 4.2. The multi-dimensionality of dependence can thus help in the assessment of dependence in business relationship, as well as provide insight to its initial emergence between partners (Svensson, 2002). A firm can thus become dependent on another party due to technical, time, knowledge, social, economic or IT related issues.

4.5 COMMITMENT

Commitment often plays an important role in cooperative partnerships (Morgan & Hunt, 1994), as well as the achievement of relationship objectives (Hofenk, Schipper, Semeijn & Gelderman,

2011). Several studies (e.g. Morgan & Hunt, 1994; Jokela & Soderman, 2017; Cox, Sanderson & Watson, 2001) have found that commitment can influence relationship efficiency and desirability in terms of favourable cost savings, flexibility and risk-sharing. Business relationships characterised by commitment can often experience beneficial outcomes such as cooperation (Mazzola, Bruccoleri & Perrone, 2015), along with the creation of new sources of value and growth (Mouzas, 2006; Brady, Davies & Gann, 2005). Anderson and Narus (1990) initially identified commitment as a positive relationship as it is considered a critical bonding mechanism that contributes to the potential longevity of a relationship. However, Baker (2009) argues that excessive levels of commitment can also cause partners to “blindly” invest in the development and maintenance of a relationship – regardless of its desirable and efficiency. In other words, partners may over time become exaggeratedly focused on the “good feelings” associated with commitment and, as result, neglect critically assessing their relationships (Baker, 2009). Thus, the current study identifies commitment as a possible behavioural outcome of dark side behaviour that result due to particular factors inherent to relationships, which can subsequently affect the dynamics of a partnership.

4.5.1 Definition of commitment

Commitment plays a pivotal role in both personal and business relationships (Anderson & Weitz, 1989; Dwyer *et al.*, 1987; Morgan & Hunt, 1994; Moorman *et al.*, 1992; Wilson, 1995), and is often defined differently depending on the perspective from which the concept is studied. For example, the concept of commitment may be derived from a range of perspectives, from social exchanges (Cook & Emerson, 1978) and marriages (Thompson & Spanier, 1983) to business relationships (Morgan & Hunt, 1994) and strategic networks (Andresen, Lundberg & Roxenhall, 2012). However, the current study focuses on commitment in context of business-to-business research as it investigates the role of commitment in the emergence of dark side behaviour in business partnerships. Table 4.3 provides some frequently cited definitions of commitment throughout business management literature.

Although many of the definitions in Table 4.3 differ in one aspect or another, it is clear that certain commonalities exist. The theme regarding the desire to maintain and continue a relationship with a specific business partner is consistent in most of these definitions of commitment, and, according to Baker (2009), it serves as the primary determinant of the concept. This study focuses in particular on the definition by Moorman *et al.* (1992:316), which describes commitment as “an enduring desire to maintain a valued relationship”. Several authors have cited this aforementioned definition in order to explain important elements

pertaining to commitment that appear consistently in literature. The first element emphasises that commitment is “enduring” which means that it involves an implicit or explicit understanding regarding the partners’ intention to continue the relationship after transactions have been completed, as well as their joint decision to address potentially unforeseen issues as they arise (Tellefsen & Thomas, 2005). The second element of commitment reflects “desire” and, according to Macneil (1980), it is based on personal choice rather than legal obligation. In other words, even though committed parties are often bound by short-term contractual agreements, they choose to remain in the relationship after contractual objectives have been met (Dwyer *et al.*, 1987). Lastly, commitment is value driven. Parties often establish long-term relationships with the intent to derive some special long-term benefits from relational agreements with partners (Tellefsen & Thomas, 2005; Goodman & Dion, 2001).

Table 4.3 Definitions of commitment

Definition	Source
An exchange partner’s belief that a particular relationship is so important it must be maintained, and that it is worth developing even further in order to warrant that it would endure indefinitely.	Morgan & Hunt, 1994
Commitment is the “enduring desire to maintain a valued relationship”.	Moorman, Zaltman & Deshpande, 1992
The commitment phase of relationship building can be conceptualised as an implicit or explicit pledge or relational continuity between exchange partners.	Dwyer, Schurr & Oh, 1987
Commitment can be defined as “the unwillingness to consider partners other than those in the current relationship”.	Leik & Leik, 1977
Commitment can simply be defined as the forsaking of alternative options in terms of business relationships.	Gundluch, Arcrol & Mentzer, 1995

4.5.2 Dimensions of commitment

Commitment is a multi-dimensional construct which comprises of three dimensions, namely calculative, affective and normative (Meyer & Allen, 1991; Fullerton, 2005). Calculative commitment has been referred to as economic commitment (Young & Denize, 1995), constraints commitment (Bendapudi & Berry, 1997), as well as structural commitment (Williams, Han & Qualls, 1998). Affective commitment, on the other hand, is often linked to the concepts of common values, trust, benevolence and relational norms such as friendship, reciprocity and culture (Roxenhall & Andresen, 2012). Normative commitment refers to a party’s feelings of moral obligation and responsibility towards its counterparty. It is often treated implicitly as the consequence of affective commitment as it’s based on norms and values derived from the latter (Roxenhall & Andresen, 2012).

Calculative/instrumental commitment

Geykens, Steenkamp, Scheer and Kumar (1996:304) define calculative commitment as “the need to maintain a relationship given the significant anticipated termination or switching costs associated with leaving”. The calculative dimension focuses on the investment of relationship-specific assets among business partners (Rylander, Strutton & Pelton, 1997) and is perceived as a function of pledges, idiosyncratic investments, the sharing of information and the allocation of relationship-specific resources (Dwyer *et al.*, 1987; Gundlach *et al.*, 1995). Several authors (e.g. Morgan & Hunt, 1994; Achrol & Gundlach, 1999; Wuyts & Geykens, 2005) maintain that relational inputs and investments can result in the implementation of early promises, which could consequently enhance partner credibility at the beginning of the relationship and also reduce negative attitudes (e.g. suspicion). Calculative commitment can therefore exist based on the calculation of the costs and benefits of a firm’s involvement in the relationship (Abosag, Yen & Tynan, 2015).

Furthermore, Abosag et al. (2016) argue that calculative commitment can act as reinforcement to keep business partners within a relationship, based on the mutual understanding that it is more costly to leave the relationship than it is to maintain it. In other words, the calculative dimension often entails parties feeling a measure of obligation to continue the business relationship (Roxenhall & Andresen, 2012). Firms utilize calculative commitment to express their willingness to maintain their relationship by making adaptations and sacrifices (Anderson & Weitz, 1992), abandoning their search for alternatives (Alajoutsijarvi, Moller & Tahtinen, 2000) as well as initiating trust between parties (Dwyer *et al.*, 1987). Although it can help to establish long-term relationships, calculative commitment may also hinder firms from exploring more desirable partners, and it could also result in partners feeling “locked in” (Abosag *et al.*, 2015; Meyer & Herscovitch, 2001; Sharma, Young & Wilkinson, 2006). Roxenhall and Andresen (2012) address the dark side of calculative commitment by inferring that it can both positively and negatively impact on business relationships. The positive impact of calculative commitment relates to future values in which parties can anticipate future relational gains (Roxanhall & Andresen, 2012), whereas the negative component focuses on “locked-in” values. For example, parties may be aware of the amount of relationship-specific investments already made (e.g. time, money, effort, knowledge, etc.) and find switching to alternatives too costly (Roxanhall & Andresen, 2012). Thus, because of high relationship

termination costs and the costs associated with finding and establishing new business relationships, parties often become trapped in current partnerships. In empirical research conducted by Bansal, Irving & Taylor (2004), it was found that, if business partners feel locked-in, regardless of present future values, calculative commitment might cause negative attitudes and behaviours to arise.

Affective commitment

Affective commitment arises in relationships when parties feel psychologically bound to their partners and the partnership possesses high levels of shared values (Bansal *et al.*, 2004). The affective dimension thus allows for the creation of emotional bonds that drive parties to maintain and improve the quality of their relationship (Fletcher, Simpson & Thomas, 2000). Relationship marketing literature often associates affective commitment with the concept of loyalty (Gilliland & Bello, 2002). Unlike calculative commitment, which is based on perceived constraints that binds parties contractually together, affective commitment is based on a set of perceptions, knowledge, beliefs and emotions that connect partners and encourage them to invest further in the maintenance and development of their relationship (Abosag *et al.*, 2015). A social structure is subsequently generated because of partners' willingness to be psychologically and emotionally consistent throughout their interaction with one another (Meyer & Allen, 1991). However, affective commitment can also cause detrimental behaviours, as parties can become "blinded" by strong emotional and psychological aspects pertaining their relationship. When a partnership becomes characterised by excessive levels of affective commitment, firms do not always evaluate the relationship accurately in terms of economic and rational desirability. Because of strong emotional and relational ties, partners might become oblivious to certain issues, as well as driven to preserve an unproductive relationship. Hence, over-emphasising affective commitment may impair a firm's decisions concerning the maximisation of relationship desirability and performance output (Abosag *et al.*, 2015).

The association between calculative/instrumental commitment and affective commitment

Several authors (e.g. Anderson & Weitz, 1992; Martin 2008; Rylander, Strutton & Pelton, 1997) suggest that the dimensions of commitment should be regarded as components and not perceived as different types of commitment. A business relationship is characterised by both calculative and affective commitment, even though the degree to which each dimension is present in a relationship may differ. For example, partners might be mainly driven by a sense

of business (calculative) commitment to maintain the relationship, but not necessarily feel emotionally and morally linked to their partner, or vice versa (Roxenhall & Andresen, 2012). Therefore, Meyer and Allen (1991) infer that the composition of commitment in partnerships can affect the relationship and determine behavioural outcomes of parties.

In his research, Martin (2008) emphasises the importance of the association between the dimensions of commitment, along with the effects of differing levels of each in relationships. The aforementioned author suggests that an association exists between affective and calculative commitment, as parties may be less bound to a relationship by calculative (business-related) commitment and more so morally and emotionally (Martin, 2008). Roxenhall and Andresen (2012) elaborate by inferring that a strong affective dimension can replace a less strong calculative dimension as relationships are often complex and driven by non-logical aspects. Hence, a business relationship established on the foundation of affective commitment is often characterised by shared values, confidence and trust (Roxenhall & Andresen, 2012). However, higher levels of calculative commitment in a relationship may assume the need for less strength in terms of the affective dimensions (Roxenhall & Andresen, 2012). Thus, the current study acknowledges that the dimensions of commitment can be potentially linked and that it can influence the attitudes and behaviours of business partners.

4.6 CONCLUSION

In conclusion, the current study identifies conflict, power, dependence and commitment as potential behavioural outcomes, caused by several factors inherent to business relationships – namely trust, shared values, opportunistic behaviour and uncertainty. Based on literature examined throughout the chapter, these constructs have the potential to influence relationship structures and dynamics (Baker, 2009), as well as the efficiency, desirability and continuity thereof (Abosag *et al.*, 2016). In other words, these antecedents can result in the onset of outcomes related to particular behaviours and attitudes, which can subsequently cause severe dark side symptoms to arise. Although conflict can be either functional or dysfunctional (Skarmeas, 2006), both dimensions possess the ability to cause the onset of dark side behaviour in business relationship.

Because of the inherently different nature of these dimensions, the current study explores conflict by individually examining both the functional and dysfunctional dimensions, as well as their influence on certain symptoms of negative relationship behaviour. Similarly, power can also be characterised by a degree of bipolarity (Johnsen & Lacoste, 2016), and therefore its role

in the manifestation of dark side behaviour is also investigated through the examination of its dimensions, namely non-coercive and coercive power. Finally, the current study also adopts dependence and uncertainty as potential behaviour outcomes as there is sufficient literature that suggest that these constructs can be brought on by the abovementioned antecedents, potentially resulting in “darker” behavioural forces (Abosag *et al.*, 2015; Abosag *et al.*, 2016).

CHAPTER 5: SYMPTOMS OF DARK SIDE BEHAVIOUR

5.1 INTRODUCTION

Business partnerships, like personal relationships, can over time become characterised by several detrimental factors when parties display certain behaviours and attitudes. These negative relational factors usually possess the capacity to harm relationships, as well as individual actors, if not resolved and managed correctly (Abosag *et al.*, 2016). Baker (2009) refers to these potential harmful consequences of relationship behaviours and attitudes as symptoms of dark side behaviour. The *Oxford Dictionary* defines a symptom as “an indication of the existence of something, especially of an undesirable nature” (Baker, 2009). Thus, according to the aforementioned definition, any potentially destructive attitude, action or decision that arises due to preceding behaviours in partnerships can be deemed a symptom. Although an increasing amount of attention has recently been devoted to exploring the negative side of business relationships, research avenues pertaining to the actual manifestation of dark side behaviour and its outcomes, remain mostly unexamined. Several authors (e.g. Abosag *et al.*, 2016; Abosag *et al.*, 2015; Anderson & Jap, 2005; Hibbard *et al.*, 2001; Villena *et al.*, 2011), however, emphasise the importance of understanding how, why and when dark side behaviour occurs in business relationships. Abosag *et al.* (2016) maintain that the management of detrimental elements in partnerships can prove to enhance relationship performance and success – even more so than the investment in positive relational drivers.

In his research concerning the dark side of relationship marketing, Baker (2009) identified several possible symptoms that might surface due to excessive levels of seemingly positive relationship elements: relational myopia, complacency, vulnerability, and suspicion. In its examination of dark side behaviour in interfirm partnerships, the current study adopts these symptoms as identified by Baker (2009) and applies it to the context of this study. The current chapter thus examines each of these symptoms in a business-to-business context in order to obtain a better understanding regarding the manifestation of dark side behaviour.

5.2 RELATIONAL MYOPIA

The term myopia, also known as near-sightedness or short-sightedness, was initially used in the field of ophthalmology to describe an eye condition in which visual images come into focus in front of the retina (Saw, Katz, Schein, Chew and Chan, 1996). The focusing of light in front of

retina, instead of on it, causes defective vision by making distant objects appear blurry and closer ones normal (Saw *et al.*, 1996). However, the terms “myopia” and “myopic” are used beyond the boundaries of ophthalmology in a variety of disciplines ranging from business management to psychology. These terms have appeared in several studies (e.g. Levitt, 1960; Lavery, 1996; Richard, Womack & Allaway, 1992; Baker, 2009; Johnston, 2009) as metaphorical devices in order to explain cognitive thinking and decision making that is narrow in scope, or lacking foresight in terms of wider interests and long-term consequences. In other words, “myopia” is often used to describe decisions that may be beneficial in the present, but detrimental in the future, as well as viewpoints that fail to consider anything outside a narrow and limited range (Levinthal & March, 1993). The current study thus identifies and adopts relational myopia as a symptom of dark side behaviour as it can affect the functionality, efficiency and desirability of a partnership, especially in the long term.

5.2.1 Definition of relational myopia

Time often plays a fundamental role in relationships. One of the most important concerns regarding time in business-to-business operations often involves the balancing of long-term objectives and change with short-term performance and benefits (Lavery, 1996). Several authors (e.g. Baker, 2009; Hayes & Abernathy, 2007) maintain that business relationships are sometimes characterised by short-sightedness, especially when it comes to identifying problems and opportunities (Lavery, 2004; Baker, 2009). Short-sightedness can distort strategic vision, often causing parties to embrace a narrow perspective regarding a relationship, its dynamics and the environment in which it operates (Baker, 2009; Smith, Drumwright & Gentile, 2010). Levitt (1960) initially termed this phenomenon as marketing myopia in order to describe how short-sightedness, or narrowness, can influence a firm’s ability to define its business.

Marketing myopia is based on the supposition that product-based definitions of a business are inferior to customer-specific definitions (Levitt, 1960). For example, in the 1950s the railroads were largely product-focused, adopting a myopic view by assuming itself to be in the railroad business rather than the transportation business (Levitt, 1960). Consequently, railroad companies overlooked the threat posed by alternative forms of transportation which, as result, led to an industry-wide decline (Stock, 2002). Johnston (2009) claims that organisations should therefore define themselves in terms of the value they add and the benefits they offer by packaging market offerings as “solutions” as well as de-emphasising products through

corporate branding. Hence, although Levitt's marketing myopia provides a seminal exploration of organisational cognitive failure, Johnston (2009) argues that it has become outdated due to the rise of the highly influential resource-based view. Several authors (e.g. Stock, 2002; Richard, Womack & Allaway, 1992) agree that Levitt's work regarding marketing myopia fails to consider further dimensions (i.e. capability myopia and boundary myopia) which can be used to describe cognitive failure within organisations.

The concept of capability myopia emerged due to the resource-based view school of strategy that encourages firms to adopt an "inside-out" view with emphasis on their capabilities (Wernerfelt, 1984). Prahalad and Hamel (1990) developed the concept of core competencies in order to link underlying capabilities and end products, providing firms with a source of competitive advantage as well as a basis for new products and new market entries. The Icarus paradox, however, recognises that changes in the environment can reduce the potency of a competitive advantage brought on by core competencies, hence calling attention to the need for "dynamic capabilities". In the successful 2005 film, *Kinky Boots*, a traditional shoe manufacturer was saved from bankruptcy by reinventing itself as a manufacturer of boots for transvestites. This film serves as an appropriate example of how a company transposed its products to a new market in order to obtain a new competitive advantage (Johnstone, 2009). Teece, Pisano and Shuen (1997) maintain that firms should therefore prioritise the development of dynamic capabilities as it will allow them to integrate, build and reconfigure internal and external competencies. However, if a firm fails to perceive itself as "a bundle of competencies", capability myopia may occur as a result of the firm being constrained in its ability to create new value propositions, or to respond to changes in the environment.

In addition to capability myopia, Johnston (2009) identifies another important dimension, boundary myopia, which can potentially impact the cognitivism of business-to-business relationships. Moore (1996) suggests that business ecosystems form due to the increasingly virtual nature of organisational structures, along with the reduction of friction that decelerates the rate of change regarding business interaction. In these high-opportunity environments, a diverse population of organisations exist that interact in a constant sequence of transient relationships with one another (Brandenburger & Nalebuff, 1996). Iansiti and Levien (2004) assert that, instead of organisations focusing primarily on their internal capabilities, they should rather emphasise the collective properties of the business relationships in which they participate. Hence, the concept of boundary myopia is derived from the General Systems Theory – a multi-disciplinary approach in which a system can be seen as embedded in a larger "super-system" and in itself comprising of smaller sub-systems (Von Bertalanffy, 1986).

Organisations can reduce and manage boundary myopia by perceiving themselves as “boundary-less” firms (Gergen, 1978; Ashkenas, Ulrich, Jick & Kerr, 1995) with their capability sets being broadened through access to external competencies and new ideas that would be more readily generated for value creation. Ackoff (1999) claims that by reframing the organisational boundary of a firm to include the super-system of external capabilities from potential business partners, gaps in both capability and business relationships can be dissolved. However, phenomena such as the Not Invented Here syndrome (Katz & Allen, 1982) and spatial learning myopia (Levinthal & March, 1993) can constrain firms from adopting the boundary-less firm approach. In other words, boundary myopia often manifests when organisations only work with counter parties whom they are familiar with, and trust. This myopic view of relational boundaries is an example of high bonding social capital, but low bridging social capital, whereby Cohen and Prusak (2001:56) claim that “ties that bind can also be the ties that blind” due to insularity. Thus, both boundary myopia and capability myopia would be useful to conceptualise cognitive failure in organisations regarding the adoption of a broader perspective concerning relationships (Baker, 2009).

This study acknowledges the various dimensions of myopia (e.g. capability myopia and boundary myopia) because of its impact on business relationships, but focuses primarily on relational myopia that, to some degree, entails aspects of both. Baker (2009) defines relational myopia as the occurrence in which two firms embrace a too narrow perspective regarding their relationship, its dynamics and how it should be governed as it manoeuvres through the business environment. Parties that possess differing perspectives regarding their relationship, and the environment in which it operates, are often in a better position to identify problems and opportunities, or at least have the insight to do so (Baker, 2009). Conversely, business relationships characterised by relational myopia often lack vision and tend to disregard the external environment in which they operate completely. Relational myopia usually occurs when firms deal with dynamic events in a standardized way, using standard operating procedures to address issues, which can lead to acting or reacting unreflectively and automatically (Baker, 2009).

Hence, a connection can be drawn between relational myopia and the theoretical implications as reported by Cyert and March (1963) in *A Behavioural Theory of the Firm*, which addresses how organisations behave in the marketplace and interact with other parties. Cyert and March’s (1963) findings convinced Starbuck, Barnett and Baumard (2008) that operational success can over time lead to a more simplistic orientation rather than a more complicated one.

This is often referred to as strategic inertia since the adaption of a more simplistic orientation in business over time, can lead to a narrower and more specialized firm (Starbuck, Barnett & Baumard, 2008). Baker (2009) claims that, although Starbuck et al. (2008) initially defined organisational behaviour at firm level, it can be applied to business-to-business relationships. For example, if a firm adopts a narrow and simplistic mindset, it is mostly likely that they will allow their relationships to be governed by a similar way of thinking (Baker, 2009). Several authors (e.g. Baker, 2009; Boughton, Nowak & Washburn, 1996; Moorman *et al.*, 1992) argue that it might actually be difficult to envision a situation where a firm's vision regarding organisational governance differs from the manner in which they manage business relationships. Hence, if this connection between firm level behaviour and business-to-business level behaviour is accepted, the association between relational myopia and the behavioural theory of the firm should be apparent.

5.2.2 Types of relational myopia

Marketing myopia was initially described as an organisation's short-sightedness when attempting to define its business (Levitt, 1960). Several authors (e.g. Lavery, 1996; Richard *et al.*, 1992; Johnston, 2009) agree that the concept of marketing myopia is analogous to product orientation in which a firm perceives itself as a product-producer. For example, in the case of the railroad industry, companies were more focused on the products they offered than the market they served. Alternatively, organisations can also adopt a customer orientation, whereby a firm defines itself as a satisfier of customers' needs and wants (Richard *et al.*, 1992). A customer orientation can help organisations anticipate and adapt to changes in customer demands. However, Oxenfeldt and Moore (1978) claim that customer orientation can also be considered a type of marketing myopia as firms often overemphasize the satisfaction of customer wants and needs which, in turn, can result in the obliviousness of competition. Therefore, marketing strategies should transcend industry boundaries and present firms with the capability to solve problems and exploit opportunities by looking beyond immediate competitors for strategies (Lovelock, 1983). This broader perspective can consequently result in cross-fertilization of ideas and produce innovative strategies (Houston, 1986).

Richard et al. (1992) offer a systematic way of classifying various types of myopia along two dimensions – business definition and business environment perspective – with the intention to enrich the existing explanation of marketing myopia. Figure 5.1 illustrates these dimensions along with the various types of marketing myopia. The first of the two dimensions identified

by Richard et al. (1992) involves business definition whereby firms define themselves as inward-orientated or outward-orientated. Firms that are narrowly defined by the type of product they produce are generally inward-orientated (e.g. a firm that defines itself as a cold breakfast cereal firm), whereas outward-orientated firms characterised by a broader perspective, are usually more concerned with satisfying customer wants and needs (e.g. they perceive themselves as a breakfast foods company). The second dimension focuses on a firm's business environment perspective by describing firms as possessing either a single-industry perspective, or a multi-industry perspective (Richard *et al.*, 1992). Organisations that adopt a single-industry perspective are often preoccupied with the actions and reactions of immediate competitors, as opposed to firms with a multi-industry perspective that emphasise a broader outlook of the market (Lovelock, 1983). Richard et al. (1992) proposes that a combination of these two dimensions of myopia can produce a matrix comprising of four scenarios: classic myopia, competitive myopia, efficiency myopia and innovative firm.

Figure 5.1 Firm scenarios

		BUSINESS ENVIRONMENT PERSPECTIVE	
		Single-Industry	Multi-Industry
BUSINESS DEFINITION	Product	Classic Myopia	Efficiency Myopia
	Customer	Competitive Myopia	Innovative Firm

Source: Richard *et al.* (1992)

The current study accepts the principles of Richard, Womack & Allaway's (1992) classification of the various types of marketing myopia and applies it to relational myopia. In Figure 5.2, various dimensions and types of relational myopia is shown in order to describe how it manifests in business relationships. The two dimensions of relational myopia used in the matrix (see Figure 5.2) comprise of time orientation and relationship conformity.

Time orientation refers to the extent to which an organisation focuses on either the short term or the long term (Voss & Blackmon, 1998). This dissertation adopts time orientation as a dimension of relational myopia as several studies within business management literature have acknowledged time as an important variable that may impact on business relationships (e.g. Davies & Prince, 2005; Verhoef, Franses & Hoekstra, 2002; Doney & Cannon, 1997). Several

authors (Ganesan, 1993; Narayanan & Raman, 2004; Cannon, Doney, Mullen & Petersen, 2010) claim that business relationships based on long-term orientation allow firms to sacrifice short-term gains in favour of benefits gained by both parties in the long run. Parties often approach relationships with a problem-solving orientation in order to achieve future objectives, as well as relational success (Cannon *et al.*, 2010). Thus, if a relationship becomes undesirable, or a more promising alternative appears, long-term orientated firms will be in a better position to identify opportunities and issues as they have better insight regarding where the firm is going and which business relationships are going to get it there. Short-termism, on the other hand, focuses on goals and objectives in the near future, instead of building a sustainable competitive advantage (Hayes, 1980). Although a short-term orientation is not harmful in itself, firms that adopt a short-term focus regarding business relationships can fall prey to sacrificing long-term goals for immediate results, misallocating resources, as well as overlooking important future opportunities and issues (Voss & Blackmon, 1998). Therefore, a short-term orientated firm might neglect to identify a more desirable business relationship for becoming too focused on its current partners and short-term goals.

The second dimension of relational myopia focuses on relationship conformity, which refers to the degree of interfirm adaptations made by parties in a business relationship. Similar to individuals that interact for more than a short period of time and need to make adaptations with regard to each other's needs, firms must also often conform to some degree in order to meet the requirements of a particular business relationship and its counterparties (Newcomb, Turner & Converse, 1952). Relationship conformity and adaption should therefore be perceived as important aspects of interfirm exchange relationships as most business relationships are based on some kind of match between the operations of two organisations (Hallen, Johanson & Seyed-Mohamed, 1991). For example, it is expected that suppliers will adapt to the needs of specific key customers and, in turn, that customers will similarly acclimatize to the capabilities of certain suppliers (Hallen *et al.*, 1991). Hence, relationship conformity can be assumed to be a significant feature in the dynamics of business relationships as both parties might need to make alterations in order to create an initial fit between their needs and capabilities, as well as adapt to any changes in business conditions (Turnbull, Ford & Cunningham, 1996).

Several types of conformity have been identified in fields of psychology that can be applied to conformity in business relationships, namely compliance, internalisation and identification, as well as ingratiation (Kelman, 1958). Furthermore, as shown in Figure 5.2, business relationships can be characterised by either high or low levels of conformity - which, in turn, can affect the operations of all parties involved, as well as the functioning of their relationship.

Business partnerships that possess high levels of relationship conformity are more prone to make several changes and adaptations in order to achieve optimal relationship desirability and efficiency, whereas low conformity signifies that both parties maintain some degree of independence and individuality despite being in a relationship (Turnball *et al.*, 1996; Hallen *et al.*, 1991).

Figure 5.2 Types of relational myopia

		TIME ORIENTATION	
		Short-term	Long-term
RELATIONSHIP CONFORMITY	High	Classic Myopia	Efficiency Myopia
	Low	Competitive Myopia	Non-myopic Relationship

Source: Adapted from Richard *et al.* (1992)

Parallel to work by Richard, Womack and Allaway (1992), in which they present four scenarios of marketing myopia (Figure 5.1), this study suggests that the combination of time orientation and relationship conformity can produce four similar scenarios in terms of relational myopia (see Figure 5.2).

Classic myopia

Classic myopia refers to the scenario of marketing myopia in which a firm adopts a product definition as well as a single-industry perspective (Richard *et al.*, 1992). Companies characterized by classic myopia are often narrowly defined by their product and do not practise the marketing concept (Richard *et al.*, 1992) which suggests that organisations should analyse the needs of customers and respond accordingly to satisfy them in a manner superior to those of the competitors (Houston, 1986). In addition to this product definition, classic myopic firms also possess a single-industry perspective, which means that they often only focus on the actions and reactions of immediate competitors (Richard *et al.*, 1992). Elgin Watch, a company that defined itself as a producer of fine, traditionally styled, manually-wound watches, serves as a

prime example of a classic myopic firm. Elgin Watch was so focused on their product that they neglected to notice a change in consumer tastes which indicated an increasing desire for low-priced and convenient (i.e. self-winding) watches (Richard *et al.*, 1992). Elgin Watch also had a single-industry perspective and as result, was caught by surprise when new competitors who entered the market captured a large share of it by offering consumers what they wanted (i.e. low-priced, self-winding watches). Consequently, these new competitors employed new channels of distribution which had been initially overlooked by Elgin Watch.

In this study, however, classic myopia will be defined as business relationships which are usually characterised by high relationship conformity and short-term orientation. Firms with high levels of relationship conformity tend to make numerous adjustments to internal workings (e.g. daily operations, processes, networks, etc.) and to alter their corporate culture (e.g. vision, mission, organisational values, etc.) in order to accommodate the establishment, and betterment, of their business relationships. This integration and adaption that transpires between firms can result in “lock-in” situations in which parties become interdependent on one another to such an extent that they get “stuck” in a particular way of doing things (Frow, Payne, Wilkinson & Young, 2011). Because of the transaction costs, legal aspects and effort often associated with establishing and maintaining interfirm partnerships, firms can become “blind” to alternative partners, as well as new and innovative ways of conducting business. Classic relational myopic firms are usually also short-term orientated, which indicates that they tend to focus on immediate gains that can result in the sacrifice of long-term objectives and the negligence of issues concerning future opportunities or threats (Voss & Blackmon, 1998; Hayes, 1985). Classic myopia in a partnership, therefore, occurs when parties conform to the requirements of their business relationships, and surrender their independence to some degree in order to achieve specific short-term objectives.

An example of classic myopia can be found in the Italian construction industry (Anderson & Jap, 2005). Between the late 1980s and early 1990s, 49 large general contractors in Italy formed a network designed to aid the control and distribution of resources, as well as to diffuse risk among all members. They were operating like a cartel which positioned group members to protect one another from competitive pressures by restraining and controlling competition among themselves (Anderson & Jap, 2005). After some time, however, several destabilizing properties were developed that eventually led to negative returns for all members involved. Thus, by insulating each other from the pressures of the market, they unwittingly removed the external pressures that drive companies to innovate and progress - which ultimately resulted in the involved contractors becoming inefficient (Anderson & Jap, 2005).

Competitive myopia

Richard et al. (1992) initially defines competitive myopia as the compromise between customer and competitor orientation in which firms adopt a customer definition along with a single-industry perspective. Competitive myopic firms adhere to the marketing concept as they are often characterised by the needs and wants of customers, and as they tend to incorporate a single-industry perspective narrowly focused on the actions and reactions of immediate competitors (Richard *et al.*, 1992). Management is usually inbred – meaning that they adhere to the notion that their industry is unique; they are not willing to learn from firms facing parallel situations in other industries. As a result of this narrow-sightedness and lack of learning, there is no cross-fertilization of ideas and, even though competitive myopic firms practise the marketing concept, their strategies lack creativity (Richard *et al.*, 1992). Therefore, competitive myopia hinders a firm's ability to identify strategic alternatives and confine innovative thinking to the industry they are in. An example of a competitive myopic firm is Schlitz Brewing that adopted a customer definition, as is evidenced by the introduction of a myriad of product extensions (e.g. light beer and premium priced beer). However, despite Schlitz Brewing exercising the marketing concept, the company also adopted a single-industry perspective that damaged their market share due to their lack of sophisticated marketing techniques (Richard *et al.*, 1992).

This study reviews competitive myopia in the context of business partnerships characterised by low relationship conformity and short-term orientation. In this case of competitive myopia, firms mostly maintain their independence by only conforming to relationship requirements that are deemed absolutely necessary (Hallen *et al.*, 1991). In addition to low relationship conformity, competitive myopic relationships are often short-sighted and tend to focus on the achievement of a specific goal, or the immediate response to an opportunity or threat. Competitive relational myopia is most likely to occur when business relationships are formed with the intention of obtaining some sort of competitive edge. Examples of competitive myopia can also be found in episodic business relationships (e.g. temporary strategic alliances, or impermanent business collaborations, “one-shot” projects, etc.). Halinen and Tähtinen (2002) propose that an episodic relationship is established for a certain purpose and/or time period, and dissolves after it has served its purpose and/or the specific time period has elapsed. Hence, relationships characterised by competitive myopia are not considered forward-looking as they become preoccupied with obtaining the immediate competitive edge for which the relationship was initially established. The co-branding strategy formed between the fast fashion brand,

H&M, and luxury designer-labels serves as a potential example of competitive myopia. In 2015, H&M teamed up with designer-label brand, Balmain, in order to respond to the fast-changing marketplace and increasing customer demand for affordable high fashion items (Shen, Choi & Chow, 2017). The relationship between H&M and Balmain was established in order to share core competencies, thereby creating a competitive edge by obtaining access to new markets, as well as satisfying the needs of customers better than its competitors. However, due to the element of short-termism, both parties neglected to consider how the collaboration might impact them in the long run. After achieving their initial objective, both H&M and Balmain started to experience issues regarding product cannibalism and brand image, respectively (Shen *et al.*, 2017). Hence, the relationship became competitively myopic due to parties over-emphasising immediate competitive gains and neglecting to consider other factors that might influence internal operations and the future of both companies.

Efficiency myopia

In a marketing perspective, efficiency myopia is often associated with product definition, as well as a multi-industry perspective (Richard *et al.*, 1992). Efficiency myopic firms do not practice the marketing concept and tend to perceive other industries as potential competitors and sources of solutions to problems. Management is cross-bred, and their acceptance of the notion of similarities between industries contribute greatly to their willingness to learn from firms in other industries (Richard *et al.*, 1992). Efficiency myopic firms are also somewhat more strategic than the previous two myopia types due to the cross-fertilization of ideas. However, the myopic component resides in the firms' concern with improvements in production efficiency and borrowing of only technological innovations (Richard *et al.*, 1992). In the past, IBM demonstrated the problems associated with an efficiency myopic firm. According to Loomis (1991) IBM initially defined itself by its product (i.e. computers), while Japanese computer firms at the time were, in addition to their products, deploying systems engineers to assist customers in developing software. Where IBM declined to provide this service, Japanese firms started using their knowledge of customer needs to capture significant market share in the mainframe computer market (Loomis, 1991; Richard *et al.*, 1992). Thus, even though IBM had a multi-industry perspective, they were too product-orientated and lost market share due to neglecting customer needs.

Similar to classic and competitive myopia, this study adopts Richard, Womack and Allaway's (1992) concept of efficiency myopia and applies it to business relationships (Baker, 2009).

Efficiency myopia is apparent in partnerships where firms experience high levels of relationship conformity, while also adopting a long-term orientation. Parties that usually fall prey to efficiency myopia often establish long-term relationships with the narrow intent of obtaining operational excellence and particular performance outcomes. Thus, sometimes the efficiency of a business relationship dis-able parties from noticing other relational issues. This “short-sightedness” – or myopic view – often appears when parties make various adaptations to meet relationship requirements and become more interdependent, as well as compromise to maintain the relationship in the long run. One case study that outlines the relationship between an automaker and one of its suppliers provides a telling example of efficiency myopia (Anderson & Jap, 2005). In this case, both the automaker and its supplier were invested in deepening the relationship and, over the years, the supplier in particular went to great lengths to forge strong relational bonds, learn the automaker’s business and to win their trust. The supplier developed elaborate routines to ensure just-in-time delivery to the automaker’s assembly line from its own nearby facility and, in a conscious effort to build social relationships, encouraged his own employees to build personal ties with the automaker’s employees, especially those who worked on the factory floor (Anderson & Jap, 2005). This relationship building resulted in advantages for both the automaker and its supplier, and the relationship appeared to be very efficient and mutually beneficial. However, unbeknown to the automaker, the supplier was systematically cutting costs in violation of the contract, exploiting his employees’ relationships with the automaker’s employees to hide the resulting irregularities from the automaker’s purchasing department (Anderson & Jap, 2005). The automaker thus neglected to see the supplier taking advantage of the relationship as he was too concerned with the level of efficiency generated by the relationship.

Non-myopic relationship

The scenario representing a non-myopic relationship replaces Richard, Womack and Allaway’s (1992) dimension of the innovative firm in the matrix (see Figure 5.1) as this study focuses specifically on relational myopia in a business-to-business context. The concept of a non-myopic relationship was, however, derived from the scenario pertaining the innovative firm and, therefore, requires exploration. The innovative firm scenario is often associated with a customer definition and a multi-industry perspective (Richard *et al.*, 1992). It possesses nothing of the narrowness that characterise previous forms of myopia as innovative firms not only practice the marketing concept, but look to other industries for competitors, as well as sources of solutions to problems (Richard *et al.*, 1992). Apple, identified as the most innovative

company by BusinessWeek in 2009, is a prime example of an innovative firm. Not only does Apple offer new products on an ongoing basis (e.g. the iMac, iPod, iPhone and iPad) but they are generally also perceived, organisationally and culturally, as a creative powerhouse (Kunz, Schmitt & Meyer, 2011). Thus, an innovative firm can be associated with images of creativity or dynamism, along with whether the firm is seen as changing markets with its value propositions (Kunz *et al.*, 2011). In 1983, the hiring of John Sculley from Pepsico revealed Apple's willingness to apply marketing strategies from the soft drink industry to the PC industry (Levy, 2000). It appeared that some of the marketing strategies used in the soft drink industry were applicable to the PC industry. One such case was Apple's low-price PC of the 80s, the MacIntosh Classic, which was often joked to be the PC counterpart of Coke Classic (Richard *et al.*, 1992; Lawson & Samson, 2001).

The current study adopts the principles of the innovative firm's concept (Richard *et al.*, 1992) and applies it to the phenomenon of relational myopia (Baker, 2009). A non-myopic relationship can be classified as a scenario of relational myopia associated with low conformity and long-term orientation. Business relationships characterised by low conformity allow parties to retain independence, yet still develop their own core competencies and focus on individual objectives, regardless of the relationship (Gramling, Jenkins & Taylor, 2010; Ramalingegowda & Yu, 2012). In other words, by only adapting and conforming to relationship requirements where it is absolutely necessary, parties can prevent relational myopia, "lock-in" situations, as well as becoming too dependent on one another.

In addition to low conformity, non-myopic relationships are long-term orientated. These non-myopic relationships can be perceived as strategic alliances, as it relates to an agreement between two or more parties that pursue a set of agreed upon objectives while remaining independent organisations (Mowrey, Oxley & Silverman, 1996). Hence, non-myopic relationships can be characterised as continuous business relationships that will be maintained for a long period of time in order to obtain particular objectives. The strategic alliance between Starbucks and Barnes and Noble serves as an appropriate example of a non-myopic relationship. Over the years Starbucks had developed many successful alliances with other companies with the aim of expanding into new markets. In 1993, Starbucks partnered with the bookstore chain, Barnes and Noble, by offering their coffee products at retail outlets (Gulati, Huffman & Neilson, 2002). Both companies benefited significantly, with Starbucks expanding into a new market at a relatively low cost, and Barnes and Noble seizing the opportunity to provide their customers with more value (Gulati *et al.*, 2002). Both companies continued to operate independently, but they formed a long-term strategic alliance to obtain mutual

beneficial objectives. Table 5.1 provides additional examples of strategic alliances and long-term business collaborations that can be classified as non-myopic relationships.

Table 5.1 Examples of non-myopic relationships

Business relationship	Description
Biotherm and Renault	The skin-care company, Biotherm, and the automobile manufacturer, Renault, combined their expertise to develop a new car concept, the Spa Car, which is designed to simultaneously care for the health of its occupants and to protect the environment.
NASA and LEGO	Seeking to create fun and educational toys that teach children about real-world challenges, LEGO has undertaken initiatives in diverse areas. LEGO partnered with NASA to create a program that will familiarise young children and adolescents with the aerospace sector.
Harvard and MIT	Harvard University and Massachusetts Institute of Technology (MIT) signed an agreement to create EDX – a non-profit organisation that aims to provide free online courses, adapted from traditional courses, to anyone with access to the Internet.
Reebok and Marvel	Reebok Classics and Marvel Entertainment formed a strategic alliance to present a line of footwear inspired by comic book superheroes. With this joint initiative, the companies sought to recreate images of classic comic book superheroes on classic, retro-styled sneakers.
Coca-Cola and Sanofi	The renowned Coca-Cola brand and the French pharmaceutical group, Sanofi, signed a 50-50 partnership agreement to produce and market “beauty drinks” containing a number of active ingredients that promote wellness, health and beauty.

Source: Turiera & Cros (2013)

5.3 COMPLACENCY

Complacency has often been explained through the use of a metaphorical device involving the boiling of a frog. Several authors (Chowdhury & Lang, 1996; Richardson, Nwankwo & Richardson, 1994; Hambrick & D’Aveni, 1988) describe complacency by using the “boiled frog” metaphor in which a live frog is initially dropped into a pan of cold water, but the water then being heated very gradually, along with the frog, until it reaches boiling point (Chowdhury & Lang, 1996). In the end, the frog dies as it failed to notice and react to the water being heated gradually (Chowdhury, & Lang, 1996). Tichy and Devanna (1986:44) explain that the frog “could have jumped out of the pan at any time, but the change in its environment happened so gradually that no response was triggered in the frog, and death ensued”. The frog metaphor appropriately illustrates how complacency can negatively influence a business relationship. When a partnership becomes characterised by the aforementioned “boiled-frog” syndrome, partners usually exhibit complacent behaviour towards their relationships, as well as the business environment in which they operate. In other words, the frog – which symbolises

involved parties – remains blissfully unmoved while the environment around it heats up (Richardson *et al.*, 1994). Complacency has been referred to as “satisfaction or self-satisfaction accompanied by the unawareness of dangers and deficiencies” (Chowdhury & Lang, 1996), along with the inability of partnering firms to recognise deficiencies in their once productive systems (Baker, 2009). Parallel to the frog that eventually dies due to its inability to recognise the water heating up, complacency transpires when parties fail to recognise changes in their environment and to react accordingly (Chowdhury & Lang, 1996). Because of its ability to influence the desirability and efficiency of business partnerships, the current study adopts complacency as a possible symptom of dark side behaviour.

5.3.1 Definition of complacency

Complacency has received little attention from researchers in the field of relationship marketing – mostly as it is such a difficult negative relational mediator to observe in comparison to others (e.g. unfairness, conflict, opportunism, etc.) (Lund *et al.*, 2015). Friend and Johnson (2017) claim that the complexity of complacency is rooted in it being “a mental state of being” that, by definition, possesses the potential to “blind” parties in terms of threatening situations and behaviour. In other words, firms often do not realise that they have become complacent in their relationship until some resulting negative behaviour arises (e.g. they are being taken advantage of by a dishonest partner), which could otherwise have been avoided if they had been more vigilant (Lund *et al.*, 2015). Thus, complacency can be considered a threat to all interpersonal and business relationships (Friend & Johnson, 2017; Lund *et al.*, 2015; Chowdhury & Lang, 1996).

One of the most problematic aspects of complacency for business relationships is that it usually occurs in relationships where strong feelings of trust, commitment, loyalty and satisfaction result in parties becoming more comfortable and confident in their counterparties which, in turn, can eventually lead to them letting down their guard (Lund *et al.*, 2015). It is exactly these positive relational constructs that allow complacency to manifest with time (Haytko, 2004) and why complacent behaviour is regarded as a dark side element of business relationships (Anderson & Jap, 2005; Baker, 2009).

In 1996, Chowdhury and Lang published a qualitative exploratory study that investigated complacency and how it relates to small business failure. These authors adopted the definition of complacency found in the *Webster's New International Dictionary (1961)* as “the satisfaction of self-satisfaction accompanied by the unawareness of dangers and deficiencies”

(Chowdhury & Lang, 1996:24). However, it is suggested that this definition of complacency presents two possible implications (Baker, 2009; Chowdhury & Lang, 1996). First, it is implied that “unawareness” may be the result of a firm’s poor problem sensing ability where management is content with the status quo, and secondly, actions deemed successful in the past are no longer effective (Reece, 1994; Kiesler & Sproull, 1982; Chowdhury & Lang, 1996; Baker, 2009). In other words, advantageous systems and processes that used to work previously either produce less – or has stopped yielding entirely – beneficial outcomes to which firms have become accustomed. Therefore, complacency, as evident in the abovementioned implications, relates to the inability of parties to recognise the deficiency in their once productive systems (Chowdhury & Lang, 1996).

Furthermore, Austin (1991) defines complacency as the lack of consistency, or a decrease in the performance level of parties, whereas Shipley (1994) infer that complacent behaviour may involve an internal unwillingness to change the status quo that can result in inefficiency regarding relational performance and organisational operation. Based on these definitions, it is evident that complacency usually entails feelings of satisfaction and an unwillingness, or inability, to recognise the need for change within business relationships. For example, success and desirable relationship performance may lull parties into believing that their relationship is infallible and without need for change (Baker, 2009). Firms may begin to believe that their success is the outcome of a partnership in its current state and that changes to the relationship, or constant evaluation in order to prevent complacent behaviour, may seem redundant (Anderson & Jap, 2005). Baker (2009) suggests that partnerships may become entrapped by an if it isn’t broken, don’t fix it mentality.

Theoretical justification for the onset of complacency can also be drawn from the behavioural theory of the firm as it is argued that a firm’s success often results in “programmed” and structured responses to its environment which can alternatively be described as complacency and specialisation (Miller, 1990). This standardised reaction that develops over time, as emphasised by Miller (1990), is consistent with Cyert and March’s (1963) generalisations that suggest parties incorporate certain biases in their assessment of relationships and environment that favour past successes. In support of the link between the phenomenon of complacency and the behavioural theory of the firm, Lund et al. (2015) maintain that complacency can be caused by a number of personal, interpersonal and organisational factors that dictate how parties act and react in a business relationship. The Asiana Airline accident of 2013 serves as a prime example of how an individual can become complacent due to repetitiveness and lack of vigilance (Paramurasan & Manzey, 2010). During the final two minutes before crashing into

the seawall short of the runway at the San Francisco International Airport, all three pilots of Asiana Airlines Flight 214 had told investigators that they were relying on the plane's automated devices for speed control (Parasuraman & Manzey, 2010). This example emphasises how individuals, as well as organisations, can become complacent due to repetitiveness and being too comfortable. In order to further explore complacency as a symptom of dark side business behaviour, this study will investigate the manifestation of complacency in business relationships and how parties, just like the pilots of Flight 214, become too comfortable, or passive, as a result of receptiveness and over-reliance on past methods that were once successful.

5.3.2 The complacency gap

The GAP model was initially constructed upon the underlying assumption that all companies want to perform as best as they can by striving for the fulfilment of service promises and perfection according to pre-established standards (Parasuraman, Zeithaml & Berry, 1985). Rosene (2003) evaluates the GAP model by acknowledging that, at different stages, organisations may experience a feeling of contentment before the optimal level of performance is reached. It is suggested that a “hidden” gap pervades organizations, namely a complacency gap. This contentment, thus, can be visualized by a general feeling that permeates the whole organization's atmosphere (e.g. a complacent culture) or can be traced and found specifically in one or more explanatory gaps described in the model in the form of contented behaviour (Rosene, 2003). The current study agrees with Rosene's (2003) view of complacency in the GAP model and argues that it can potentially describe the onset of complacency in business relationships. In this section, the original GAP model as initially presented by Parasuraman et al. (1985) is discussed, along with Rosene's (2003) altered model that incorporates the hidden gap of complacency. Additionally, the current study also offers a model that more explicitly explains the appearance of this complacency gap in a business-to-business context.

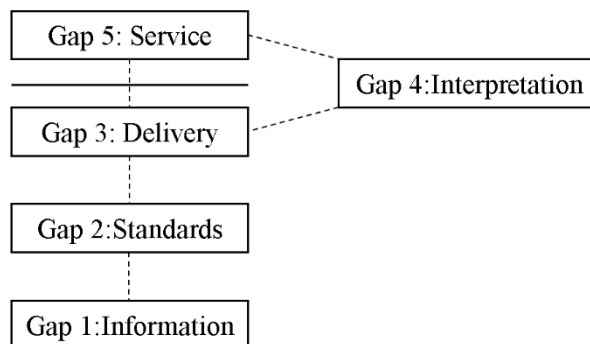
The GAP model

The GAP model, initially submitted by Parasuraman et al. (1985), identifies five gaps that consist of one external gap, defined as the difference between the expected service and the perceived service, and four internal gaps – namely, consumer expectation/management perception gap, management perception/service quality specification gap, service quality

specification/service delivery gap and service delivery/external communications gap (Kasper, Van Helsdingen, De Vries, 1999). In Figure 5.3 the original GAP model is depicted.

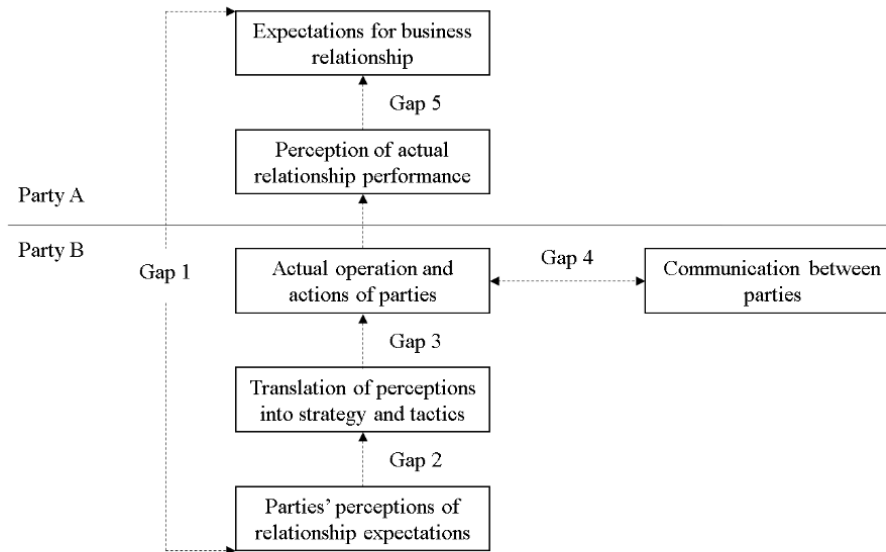
The GAP model allows for the conceptualization of actual service organization problems (Rosene, 2003). The current study accepts the fundamental principles on which the model is built but adapts it to explain the specific relational dynamics in business relationships. In other words, instead of addressing the GAP model in terms of service quality between a company and its consumers, the adapted version will refer to the relationship quality, or efficiency, between parties engaged in a business relationship.

Figure 5.3 GAP model



Source: Kasper *et al.* (1999); Rosene (2003)

Several studies (e.g. Baker, 2009; Starbuck *et al.*, 2008; Anderson, Håkansson & Johanson, 1994) infer that, seeing as the original GAP model explains service relationships between companies and consumers, the key principles regarding relationship management remain applicable and can be applied to business-to-business context. Figure 5.4 depicts the GAP model altered to explain important gaps in business relationships.

Figure 5.4 GAP model applied to business relationships

Source: Adapted from Parasuraman *et al.* (1985); Rosene (2003); Kenny *et al.* (2017)

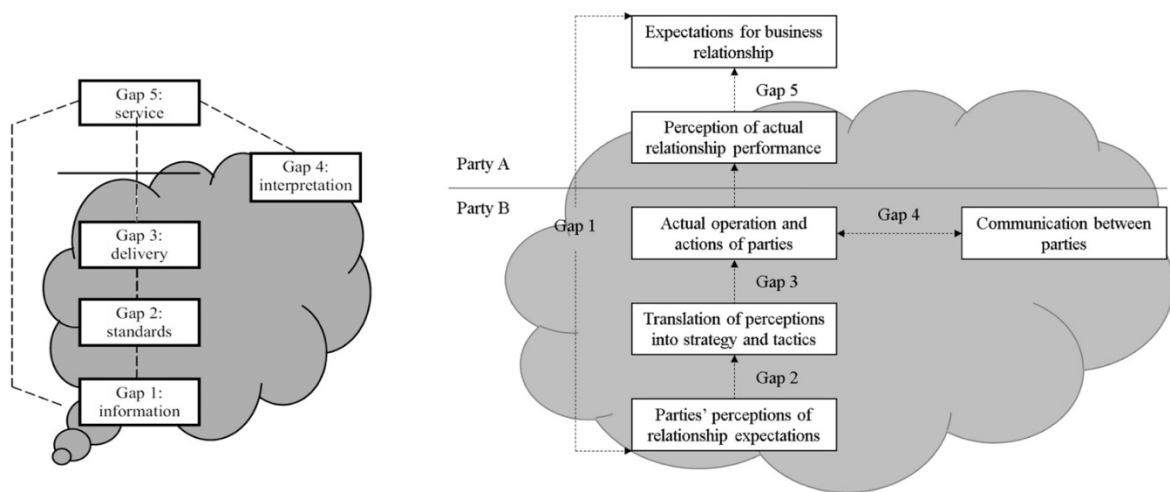
The “hidden” complacency gap

Although, the GAP model (Parasuraman *et al.*, 1985; Kasper *et al.*, 1999) allows for the conceptualisation of problems pertaining to service organisations, other authors (e.g. Rosene, 2003; Kenny *et al.*, 2017; Baker, 2009) propose additional considerations. Rosene (2003) identifies an underlying connection between all the gaps in the model, which speaks to a cultural issue that cuts across these sub-standards. The GAP model generally assumes that all companies are driven by an organisational culture that make them want to perform *as best as they can* by striving for perfection according to established standards and the fulfilment of promises (Rosene, 2003). However, in many organisations, *better* is more valued than *best*, and thus an alternative perspective for the existence of these gaps exists. Rosene (2003) claims that, at different stages, a feeling of contentment is achieved before the optimal level of performance is reached. Complacent behaviour often emerges when parties start to experience this aforesaid feeling of contentment, which can subsequently result in parties becoming unable to detect issues pertaining to the relationship (Baker, 2009). Therefore, several authors maintain that there is an overall complacent culture, or a culture of complacency, that is present throughout the whole organisation, acting as an overriding *hidden gap* (Rosene, 2003). Schneider and Bowen (2010) discuss the impact of corporate culture on both service quality and business relationships by pointing out that some organisations are characterised by “schizophrenic” cultures in which parties verbally declare that they want one kind of culture, yet create routines

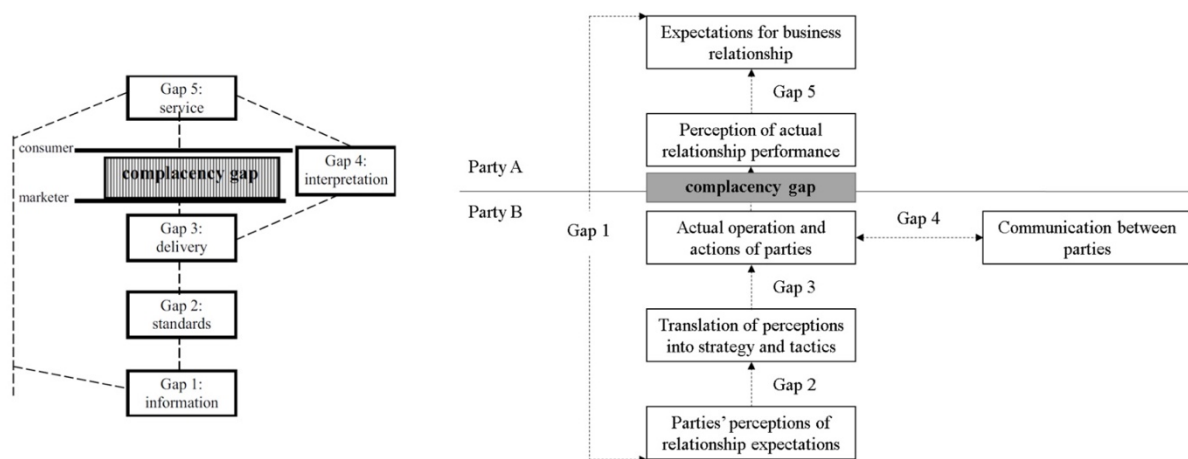
and behaviours that support another. For several other authors (e.g Kasper *et al.*, 1999; Posner, Kouzes & Schmidt, 1985), the corporate culture of organisations and business relationships, refers to shared values and shared beliefs which dictate how individuals within an organisation, and parties in a business relationship, act and behave. However, Berry (1999) recognised that complacency is an ever-looming threat in business relationships, which often emerges when companies foster a culture that favours best practices and familiarity concerning business operations, over constant evaluation and exploring new avenues.

Rosene (2003) recognises complacency as a “hidden” gap in the GAP model which needs to be acknowledged in order to fully comprehend why Gap 5, or service quality discrepancy between a service provider and a customer, occur. Based on the principles of this complacency gap, this study addresses a similar gap in order to potentially explain how complacency can appear in business partnerships. Thus, the figures below illustrate the various incorporations of complacency in (1) the original GAP model and (2) an adapted model for business relationships.

Figure 5.5 Complacency gap option 1



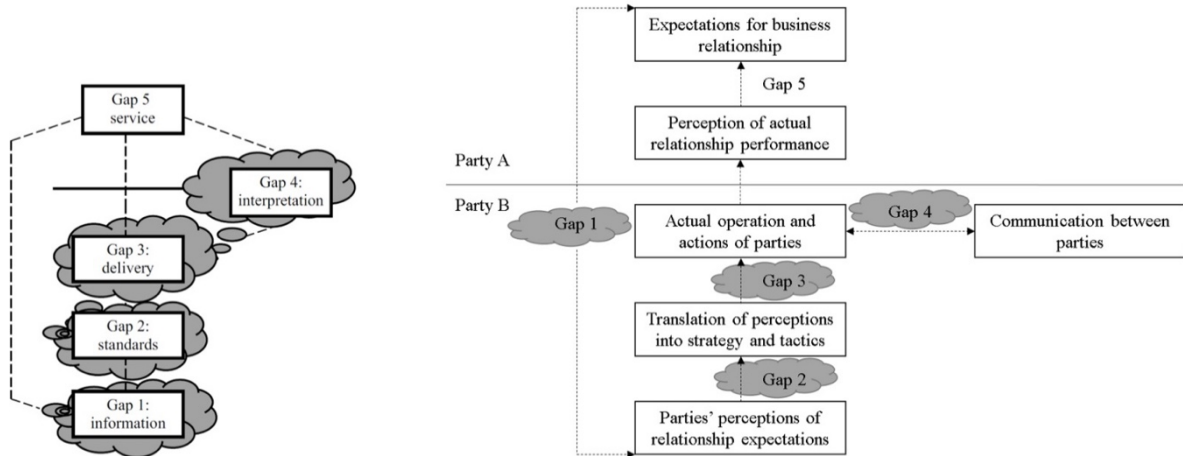
Source: Adapted from Rosene (2003); Kenny (2017); Staughton & Johnson (2005)

Figure 5.6 Complacency gap option 2

Source: Adapted from Rosene (2003); Kenny *et al.* (2017); Staughton & Johnston (2005)

The hidden gap of complacency can be illustrated as an overriding cloud above the four internal gaps (Figure 5.5) or as an interspace between the parties involved in the business relationship (Figure 5.6). In the adapted model, party A and party B operate in close proximity, depicting a close business relationship that functions efficiently and at a level that is satisfactory. However, in this interspace between parties, complacency can appear when partners become too comfortable and familiar with the present state of various areas pertaining business partnerships (Baker, 2009; Lund *et al.*, 2015). For example, business parties may become complacent because of a high degree of comfort, the adoption of a “we have nothing new to learn” attitude, or simply a lack of vision (Rosene, 2003; Baker, 2009). Regardless of the reason for the emergence of complacency, a relationship may become characterised by dark side behaviour, and consequently start to operate inefficiently – which, if not managed correctly, can result in the termination of the relationship (Baker, 2009).

The culture of complacency can be described as a shared attitude of comfort and familiarity between partners that could eventually exert a negative influence on the relationship (Rosene, 2003; Baker, 2009; Friend & Johnson, 2017). However, Rosene (2003) suggests that it is possible to address the complacency in a more specific manner and not only as an attitude, but rather as a series of behaviours present in any ongoing business relationship. More specifically, it is possible to uncover “hidden” complacency in each of the four internal gaps described by the adapted GAP model. Figure 5.7 shows this aforementioned proposal in which complacency gaps applied to the GAP model may assist in explaining the onset of complacent behaviour in business relationships.

Figure 5.7 Complacency gap option 3

Source: Adapted from Rosene (2003); Kenny *et al.* (2017); Staughton & Johnston (2005)

A revised approach to identifying complacent behaviour in business relationships

The current study aims to discuss the completeness of the GAP model by acknowledging that, at different stages, a feeling of contentment is often achieved before the optimal level of performance is reached. Similar to Rosene (2003) identifying the need to include an additional gap to the service quality GAP model, this study recognises the importance of adding a similar gap that can potentially explain the manifestation of complacency in business relationships. Although hidden, this complacency gap has proven real in many organisations that face problems and issues which arise due a complacent culture that influences relationship dynamics, processes, as well as managerial activity (Rosene, 2003; Baker, 2009). Thus, this feeling of contentment that might characterise partnerships can be referred to as either a general feeling that permeates the whole organisation's atmosphere (e.g. a complacent culture), or it can be traced and found specifically in one or more of the explanatory gaps described in the GAP model. In order to explain this argument, the following section elaborates on a series of behaviours often associated with each internal gap:

Gap 1: Lack of adequate information. The knowledge gap occurs due to the misperception of parties regarding their expectations of one another (Kenny *et al.*, 2017). In other words, business partners incorrectly perceive the wants and needs of their counterparties, as well as what they specifically want out of the relationship. This “mismatch” between parties' perceptions and expectations can result in increased levels of relationship uncertainty, due to a lack of information regarding relational exchanges. Achrol and Stern (1988) define uncertainty

as the extent to which a party has sufficient information to anticipate the consequences of their decisions and to enable them to make key decisions with confidence. Several other authors acknowledge that the presence of high levels of uncertainty in a business relationship can demotivate firms to take risks and explore other alternatives due to unpredictability and complexity that often accompany the unknown environments (Eriksson & Sharma, 2003; Baker, 2009; Lee, 1998; Ting *et al.*, 2007). Complacency can thus potentially manifest within this knowledge gap due to a lack of information regarding relationship exchanges which, in turn, can lead to a lack of innovation, the inability and unwillingness to learn, and decreased risk-taking. For example, when partners are confronted with heightened levels of unpredictability and complexity due to relationship uncertainty, they are more likely to “stick to what they know” rather than to explore other alternatives or to seek actively within their environment for new opportunities (Baker, 2009). A culture of complacency can therefore appear when firms lack critical information about their environment and business partners. They will be less likely to venture out of their “comfort zone” and continue to operate as always because of their inability to make business decisions with confidence (Eriksson & Sharma, 2003). This complacent behaviour can eventually result in the relationship becoming “stale” and could cause a decrease in relationship efficiency and desirability.

Gap 2: Ambiguous definition of relationship requirements. This gap reflects the incorrect translation of what is expected from the relationship into clear rules and guidelines (Staughton & Johnston, 2005). Often business partners are unable, or unwilling, to translate relationship information into clear definitions and specifications, which stipulate relational operations and how the relationship should be governed. Subsequently, complacency can become a problem during the translation of perceptions into specifications due to the tendency of parties to act according to successful past experiences and proven managerial routines. Firms may tend to favour their own definitions and specifications of relationship management, which can result in the ineffective processing of relationship information into appropriate, mutually beneficial requirements (Baker, 2009). Thus, complacency concerning relationship policy formulation often occurs due to accurate relational information being ignored or being wrongly translated into requirements. Organisations are often “blinded” by their own secure ways of doing things and, as a result, they unknowingly allow their subjectivity to influence their relationships (Baker, 2009).

Gap 3: Operational shortcomings. This particular gap occurs due to the inability, or unwillingness, of individual parties to correctly translate specifications into actions and operations (Rosene, 2003; Staughton & Johnston, 2005). The appearance of the efficiency gap

can be considered quite common for business relationships due to the difficulty of maintaining relationship efficiency across all areas of the relationship. Similar to the previous gap that addresses the incorrect translation of perceptions into specifications and objectives, complacency can occur in the efficiency gap as parties will most likely choose to implement known procedures when faced with uncertainty (Baker, 2009). In other words, when firms are unable to turn specifications into actions, whether due to inability or unwillingness, they will, in most cases, fall back on cognitive biases and choose to do things in ways that are familiar to them in an attempt to minimise risk and negative outcomes (Baker, 2009; Friend & Johnson, 2017; Lund *et al.*, 2015). Furthermore, Chowdhury and Lang (1996) emphasise the association between complacency, managerial weaknesses and the five dimensions of decline (i.e. a reduction in organisational size; internal stagnation or inefficiency; a failure to recognise internal or external warning signals; a failure to adapt to external environment demands; and a stage in the organisation's life cycle). These authors suggest that complacency underlies all forms of decline, even though its magnitude tends to increase due to firms' lack of problem sensing and motivation for action (Chowdhury & Lang, 1996). Hence, firms are more likely to succumb to complacency within the efficiency gap when they implement known procedures regarding the specifications-to-operations translation process and fail to consider alternative methods that could potentially be more advantageous for the relationship. This hidden gap of complacency can therefore develop due to managerial weaknesses regarding relationship operations, as well as due to the implementation of less efficient, less risky, "known" methods (Lund *et al.*, 2015; Chowdhury & Lang, 1996).

Gap 4: Communication and interpretation. The communication gap can appear when ineffective communication exists between parties and, when promises made do not match the actions and performance of the relationship (Baker, 2009; Olkkonen, Tikkanen & Alajoutsijärvi, 2000). The propensity to over promise, together with ineffective horizontal communication between parties, can explain why certain detrimental behaviours and attitudes arise in business relationships. Miscommunication, or the lack of appropriate continuous communication, could cause negative behavioural outcomes to appear and cause harm to the relationship (Abosag *et al.*, 2016; Baker, 2009; Staughton & Johnston, 2005). The notion of complacency can therefore be applied to communication gap and it can potentially manifest when firms may become too comfortable with "distorted" messages that do not reflect relationship operations and the actions of involved parties (Rosene, 2003; Baker, 2009). As complacency is often defined as the satisfaction or self-satisfaction accompanied by unawareness of actual dangers and deficiencies, partnerships may become characterised by complacency when parties don't

evaluate their relationship, along with the manner in which they communicate. In other words, complacent behaviour might manifest in the communication gap when firms constantly take each other at “face value”. Crosno and Dahlstrom (2008) support this notion of complacent communication by suggesting that inadequate and ineffective communication could potentially lead to the prevention of goal congruence, as well as information asymmetry. Consequently, when parties misunderstand one another, they often rely on past experiences and on what they know – which, in turn, can lead to the distortion of the communication stream between partners, causing the relationship to operate ineffectively (Crosno & Dahlstrom, 2008; Rosene, 2003).

5.4 VULNERABILITY

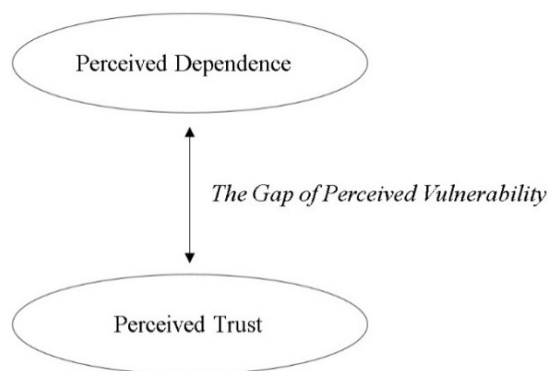
The term “vulnerability” is derived from the Latin word “vulnerare” (to be wounded) and describes the potential to be harmed, which emphasises the sensitivity to a perturbation or stress (Downing *et al.*, 1997). In recent years, the concept of vulnerability has been broadly employed in research on global environmental change, disaster risk reduction and social-ecological change research (Kasperson & Kasperson, 2005). However, the focus of vulnerability has gradually been transformed from concern with the fragility of environmental systems (i.e. physical vulnerability) to investigating the vulnerability of human society (i.e. social vulnerability). In this section, the concept of vulnerability is discussed in the context of business-to-business relationships. Several authors (e.g. Svensson, 2000; Christopher & Peck, 2004; Jüttner *et al.*, 2003; Wagner & Neshat, 2010) describe the phenomenon of vulnerability as comprising of a disturbance in the natural operation of relationships, along with consequential outcomes that affect relational dynamics. Thus, as vulnerability possesses the ability to disrupt the functionality of relationships, the current study adopts it as a symptom of dark side behaviour that arises due to an increase in specific behaviours and attitudes.

5.4.1 Concept of vulnerability

Svensson (2004) defines vulnerability as the gap between the focal firm’s perceived dependence on another firm, as well as the focal firm’s perceived trust in another firm. The first part of this definition emphasises that perceived dependence can influence an organisation’s perceived vulnerability. Thus, vulnerability can be referred to as the simultaneous consideration of a disturbance, along with its negative consequences (Svensson, 2002). For example, if parties are heavily dependent on one another, perceived vulnerability is most likely to be higher. The second part of the definition entails perceived trust, which can also influence the level of

perceived vulnerability (Svensson, 2002). The importance of trust can be explained by its ability to contribute to the strength of business relationships (Hakansson & Snehota, 1995). Therefore, the gap between perceived dependence and perceived trust is argued to affect the degree of perceived vulnerability in business partnerships (see Figure 5.8).

Figure 5.8 The gap of perceived vulnerability



Source: Svensson (2004)

As depicted by Figure 5.8, Svensson (2000) offers a conceptual framework that addresses three principal components of vulnerability, namely the source of disturbance, the category of disturbance and the type of logistics flow. However, Svensson (2002) refined the construct of vulnerability to only include two key elements: the disturbance itself, and its negative consequences. In this case, a disturbance refers to a quantitative and qualitative deviation from what is normal or expected (Svensson, 2004). For example, excessive levels of conflict can interrupt or disturb the natural operations of a partnership (Abosag *et al.*, 2016). Subsequently, a negative consequence of a (preceding) disturbance can be defined as a deteriorated goal accomplishment in terms of quantitative and qualitative deviations (Svensson, 2004). Baker (2009) infers that vulnerability can be deemed a negative consequence that arises due to some disturbance in relational operations. Thus, with reference to the abovementioned components, vulnerability can also be conceptualised as “a condition that affects a firm’s goal accomplishment dependent upon the occurrence of negative consequences of disturbance” (Svensson, 2004:470).

Furthermore, in an international joint venture context, Attridge, Berscheid and Sprecher (1998) define vulnerability similarly to Svensson (2004) by describing it as a party’s concerns regarding the continuance of a partnership, along with its partner’s future provision of need satisfaction. However, in more recent years vulnerability has received increased attention in

the context of supply chain management and relationship marketing. Supply chain vulnerability has been defined broadly as “an exposure to serious disturbances” (Christopher & Peck, 2004:3), as well as “the propensity of risk sources and risk drivers to outweigh risk mitigating strategies, thus causing adverse supply chain consequences” (Jüttner *et al.*, 2003:200). Hence, the aforementioned definitions can be deemed relevant to business relationships, as supply chain channels often comprise of several parties, or organisations, that are bound together by contractual agreements and other relational ties. Parallel to Svensson’s (2000) definition, these authors also maintain that the concept of vulnerability focuses on the occurrence of a disturbance in operations and consequential outcomes of this disruption.

5.4.2 Typology of vulnerability scenarios

Svensson (2002) claimed that the phenomenon of vulnerability in marketing channels is a result of the dependence of business activities among partnering firms. Based on Svensson’s (2002) inductive approach, a typology of vulnerability was developed in order to describe the different ways in which vulnerability can manifest among marketing channel members (see Figure 5.9). Although research pertaining vulnerability mostly concern supply chain channels, several authors (e.g. Morgan & Hunt, 1994; Hakansson & Snehota, 1995; Svensson, 2002) infer that the concept of vulnerability can be extended to other fields of research, for example organisational behaviour, relationship marketing, strategic management, etc.

Figure 5.9 shows that the typology of vulnerability comprises of two major generic dimensions of dependence: time-dependence and relationship-dependence. First, time-dependence addresses the time orientation associated with business partnerships, as well as the period of time a firm plans to remain dependent on another party. This dimension consists of two underlying dimensions, namely temporary and permanent dependencies. While the temporary sub-dimension often infers that relational dependence is short-term orientated, permanent dependence on the other hand, is considered to be more long-term orientated (Svensson, 2002). In other words, it addresses the time orientation of business relationships, as well as the period of time they plan to remain dependent on a counterparty.

Figure 5.9 Typology of vulnerability scenarios

		Relationship-dependence	
		Bilateral	Unilateral
Time-dependence	Temporary	Dynamic vulnerability	Elastic vulnerability
	Permanent	Non-elastic vulnerability	Static vulnerability

Source: Svensson (2002)

The second generic dimension entails relationship-dependence, which refers to business activities being dependent on the interaction process between parties (Waters-Fuller, 1995). Svensson (2002) argues that relationship-dependence can also comprise of two sub-dimensions, namely unilateral and bilateral dependencies. Unilateral dependence refers to the situation in which dependence is a one-sided phenomenon – where one party is dependent on an independent counterparty. On the other hand, bilateral dependence occurs when a business relationship is characterised by mutual dependence and parties are equally dependent on one another (Svensson, 2002).

Based on these dimensions, Svensson (2002) compiled a matrix that explains the different scenarios pertaining vulnerability in business relationships. The first scenario, termed dynamic vulnerability, refers to a situation in which a business relationship is characterised by temporary and bilateral dependencies. This scenario signifies that there are low levels of dependence among partners and that the relationship is short-term orientated. Dynamic vulnerability is most likely to surface in a relationship that operates within a highly active and competitive environment (Svensson, 2002). For example, the emergence of fast fashion in the fashion industry has caused collaboration between fashion retailers and their suppliers to become more short-term orientated due to constantly changing customer demands (Bhardwaj & Fairhurst, 2010). Thus, to accommodate the changing needs of the market while still maintaining optimal firm operations, parties often engage in short-term, low-dependent relationships that allow them to rapidly shift to alternative partners in response to emerging market trends (Bhardwaj & Fairhurst, 2010). This type of vulnerability can have a detrimental impact on firms as partners may not want to commit to the continuance of a partnership in case they need to exit unexpectedly in pursuit of more attractive alternatives.

The second scenario, static vulnerability, implies that partners are exposed to permanent and unilateral dependencies (Svensson, 2002). Static vulnerability usually involves relationships that are characterised by a high degree of dependence between partners, as well as a long-term relationship orientation. This scenario is likely to surface in monopolistic markets where parties often have no other choice but to remain in a relationship with the main player (Svensson, 2002). For example, if a company is highly dependent on a specific counterparty to supply a key component needed to produce a product or to deliver a service, the relationship can be considered monopolistic due to the lack of adequate alternatives. Therefore, the static scenario is considered the most severe form of vulnerability as parties can become “trapped” in a long-term relationship due to excessive levels of dependence.

The third scenario, elastic vulnerability, applies to a business relationship that is characterised by temporary and unilateral dependencies (Svensson, 2002). In the case of elastic vulnerability, a firm may be highly dependent on its partner and the relationship would usually be short-term orientated. According to Svensson (2002), this type of vulnerability generally occurs in a duopolistic, or an oligopolistic, market.

The fourth scenario is a relationship characterised by non-elastic vulnerability. In this scenario there are usually bilateral dependencies among firms and the relationship would have a long-term focus close to permanent. Thus, business relationships subjected to non-elastic vulnerability often entail low levels of dependence, due to mutual dependence, which might occur over a long period of time (Svensson, 2002).

5.5 SUSPICION

Atkinson and Butcher (2003:282) commented that “competing perspectives and personal motivation can conspire to render even the most innocent of acts subject to scrutiny and suspicion”. In no realm is this statement more accurate than in the context of business relationships, where even the slightest passive or innocuous action of an organisation may ignite the first sparks of suspicion in its partner (Hunter *et al.*, 2011). Relationship marketing literature characterises inter-organisational relationships as ubiquitously opportunistic (Wathne & Heide, 2000), inferring that suspicion is – and will always be – interwoven in the fabric of business relationships. Similarly, Jap (2001) claims that suspicion can arise due to several detrimental behaviours and attitudes, which are usually inherent to any relationship. Therefore, based on the recommendations of several studies (e.g. Baker, 2009; Hunter *et al.*, 2011; Anderson & Jap, 2005; Abosag *et al.*, 2016), the current study adopts suspicion as a symptom

of dark side behaviour, as it can potentially signify that a relationship has become ineffective and undesirable.

5.5.1 Concept of suspicion

Several disciplines, such as psychology, sociology and supply channel management, attempt to offer definitions for suspicion. While parallel in nature, some of these definitions fail to explicitly identify many of the central characteristics of suspicion (Hunter, Gassenheimer & Siguaw, 2011). Deutsch (1962), for example, defines suspicion as a choice to engage in behaviour to prevent or reduce the harmful consequences of another person's behaviour, whereas others (e.g. Barone, Manning & Miniard, 2004; Campbell & Kirmani, 2000) refer to it as a mental state in which a perceiver contemplates the possibility that the suspect may have hidden motives to justify behaviour. Both of these definitions suggest that suspicion entails the perception of one party to believe the motives of a counterparty to be ulterior. Similarly, McCornack and Levine (1990) define suspicion as the belief that messages produced in a particular setting by a specific party may be deceptive. In addition, Fein, Hilton and Miller (1990) maintain that suspicion involves uncertainty regarding motives, as it might compromise the sureness and confidence that usually accompany the certainty of a partner's motive. Although each of these authors address the components of uncertainty and ulterior motives in their definitions, they neglect to explicitly express that the motive has the ability to discredit a suspect's behaviour and actions (Hunter *et al.*, 2011).

Most research concerning suspicion focuses solely on individuals, but Fein (1996) argues that it need not be limited to interpersonal relationships. For the purpose of the current study, suspicion is conceptualised as a state held by an organisation questioning the motives of a business partner. More specifically, suspicion in an inter-organisational context can be described as “a dynamic cognitively effortful state in which one organisation, because of uncertainty as to whether another party may be concealing harmful or opportunistic intentions, engages in active and thoughtful consideration of these motives and plausible causal explanations underlying the other organisation's behaviour” (Hunter *et al.*, 2011:2). This definition not only identifies suspicion as a mental state (Barone *et al.*, 2004), but it also emphasises the incorporation of uncertainty regarding motives (Campbell & Kirmani, 2000; Fein *et al.*, 1990).

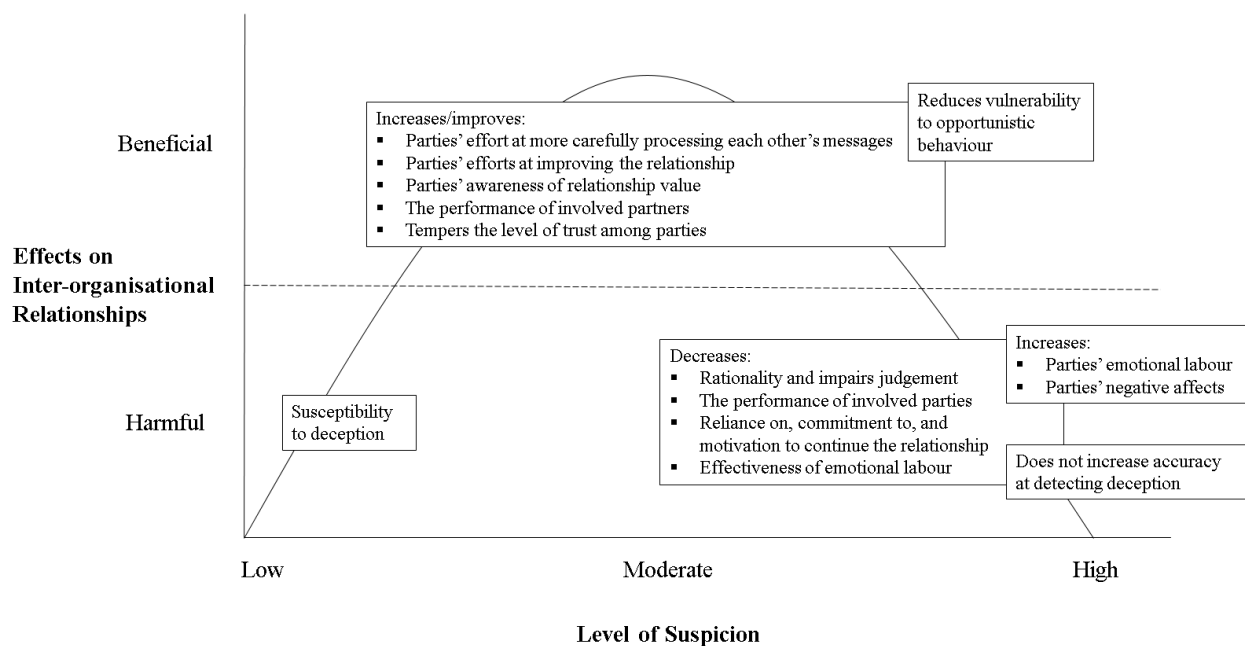
Furthermore, relationship marketing literature delineate suspicion from two key relational elements in order to demarcate the related construct domain (Hunter *et al.*, 2011). First, as

opposed to being a motive or the consequential behaviour of opportunism, suspicion exists as a state in which the perceiver entertains the notion that its business partner may be behaving opportunistically (Hunter *et al.*, 2011). Secondly, several authors (e.g. Hunter *et al.*, 2011; Morgan & Hunt, 1994; Narayandas & Rangan, 2004) also acknowledge that trust can be linked to suspicion. Fein (1996) argues that suspicion does not generate an overly cynical, distrustful mindset, but rather a mindset characterised by neither trust nor distrust. Trust and distrust both represent states of perceived certainty about reliability and integrity, whereas suspicion signifies a mental state of uncertainty and scepticism regarding a partner's motives (Hunter *et al.*, 2011). Therefore, when suspicion threatens a relationship, partners often become uncertain as to the motivation underlying the behaviour of their partners (Baker, 2009).

5.5.2 Effect of suspicion on inter-organisational relationships

Based on evidence derived from literature, it is clear that suspicion can entail both beneficial outcomes and drawbacks for business partnerships. Hunter *et al.* (2011) developed a conceptual model of suspicion in business partnerships that accounts for an inverted U-shaped relationship with bi-polar outcomes. In other words, this model indicates the consequential outcomes often associated with low and high levels of suspicion in a relationship. Figure 5.10 provides a visual representation of the conceptual model by Hunter *et al.* (2011) applied to a business-to-business context.

Figure 5.10 The relationship between level of suspicion and effects on B2B relationships



Source: Adapted from Hunter *et al.* (2011)

Benefits of suspicion

Research on interpersonal interaction suggest that partners in well-developed relationships manifest a strong truth bias or presumption of truthfulness (McCornack & Parks, 1986). This truth heuristic is used as a shortcut in evaluating partner behaviour, rather than expending the effort and energy to carefully examine information and actions (Stiff, Kim & Ramesh, 1992). The injection of suspicion, usually through ambiguous information and actions, however, increases cognitive involvement regarding partner activities (Stiff *et al.*, 1992). Thus, suspicious parties tend to defer judgement until more information regarding the underlying behaviour of their counterparties becomes available (Fein, 2011). Figure 5.10 shows that suspicion can potentially be beneficial to business relationships. Hunter *et al.* (2011) explain that mild to moderate levels of suspicion may have a legitimate and useful function in interfirm relationships, as it might encourage partners to pay greater attention to surrounding circumstances (Fein, 1996), and result in the more thoughtful evaluation of information (Vonk & Van Knippenberg, 1994). Several authors (e.g Hunter *et al.* 2011; Kramer & Gavrieli, 2004; Fein, 1996) suggest that mild levels of suspicion in partnership can push parties to be more vigilant, as well as encourage them to develop an early warning system. Hence, heightened levels of vigilance in relationships can better equip parties concerning the identification of dark side behaviour (Hunter *et al.*, 2011; Baker, 2009). Anderson and Jap (2005) agree that mild suspicion can be considered beneficial in relationships, as increased vigilance and continuous evaluation result in reduced vulnerability.

Drawbacks of suspicion

Hunter *et al.* (2011) maintain that there is a point where increased suspicion causes cognitive ineffectiveness, and that augmented levels may disable partners from making rational judgements and accurate assessments. Several authors (e.g Kramer, 2002; Toris & DePaulo, 1985; Levine & McCornack, 1989) infer that excessive levels of suspicion can lead to relationship paralysis– which consequently hinders firms from effectively reacting on their discontent and other negative relationship behaviour. Hunter *et al.* (2011) suggest that high levels of suspicion may result in suspicious parties modifying their actions in order to protect themselves against exploitation. Similarly, Anderson and Jap (2005) argue that suspicion breeds suspicion, as parties often become dubious when they suspect their partners of having ulterior motives. Both these aforementioned findings address particular elements of the interpersonal deception theory, which suggests that “interpersonal deception activates strategic

behaviour on the part of both sender and receiver. . . as the interaction dynamic evolves, both parties' behaviour changes and influences one another" (Burgoon, Buller, Ebesu & Rockwell, 1994:31). For example, when a partnership becomes characterised by suspicion, partners' willingness to invest in idiosyncratic investments and the sharing of information, often decline (Jap, 2001). In addition, high levels of suspicion can also affect relationship continuity, and erode competitive advantage (Hunter *et al.*, 2011). Thus, when a relationship is characterised by excessive suspicion, the persuasiveness of the suspected party, and the clarity of bilateral goals, diminish (Kramer, 2002).

5.6 CONCLUSION

In conclusion, this chapter explored possible symptoms of dark side behaviour that can arise in business relationships due to several behavioural outcomes, which would initially have been caused by components generally inherent to partnerships. These symptoms (which include relational myopia, complacency, vulnerability and suspicion) were selected based on their capacity to affect relationship dynamics, as well as the functionality, desirability and continuity of business partnerships (Baker, 2009).

To summarise, relational myopia is defined as the occurrence in which firms embrace an excessively narrow perspective regarding their relationship, its dynamics and the environment in which it operates (Baker, 2009). Complacency refers to the satisfaction that often accompanies the unawareness of dangers and deficiencies, as well as the inability to recognise deficiencies in once productive systems (Chowdhury & Lang, 1996). Vulnerability is described by Svensson (2004) as the gap between a firm's perceived dependence on partner and its perceived trust in this particular partner. Lastly, suspicion is defined as the perception of an actor to believe the motives of another to be ulterior (Hunter *et al.*, 2011).

It is evident in the explanations of the abovementioned symptoms that each entail a specific complement that can result in dangerous behaviours, attitudes, perceptions and beliefs, which might negatively impact the dynamics and future of business relationships, as well as individual actors. Abosag *et al.* (2016) therefore suggests that, the understanding why and how these dangerous symptoms appear in relationships, can better equip firms to resolve and manage the phenomenon of dark side behaviour. In the next chapter, the relationships pertaining to antecedents, behavioural outcomes and these symptoms of dark side behaviour are theorised and discussed, in order to evaluate how dark side behaviour can occur in business relationships.

CHAPTER 6: THEORETICAL FRAMEWORK OF DARK SIDE BEHAVIOUR IN BUSINESS RELATIONSHIPS

6.1 INTRODUCTION

Susan Cain, a praised American writer, former lawyer and current negotiations consultant, once commented that one genuine relationship is worth a fistful of business cards. This quotation speaks volumes concerning the beneficial properties often associated with well-functioning business relationships, and how powerful partnerships can advantageously influence not only engaged firms but the market as a whole. However, similar to how there is no such thing as a perfect romantic relationship, business relationships also possess an inescapable “dark side” that often entails stages with detrimental components. Several authors (e.g. Anderson & Jap, 2005; Barners *et al.*, 2005; Fang, Chang & Peng, 2011; Abosag *et al.*, 2016; Villena, Revilla & Choi, 2011; Hibbard, Kumar & Stern, 2001; Blois, 2010) suggest that in order to ensure relationship success, it is not enough to only invest in the positive relational elements. Instead, partnering firms should consciously reduce negative relational drivers, as the management of dark side behaviour can potentially contribute more significantly to business relationship development than the mere enhancement of positive components (Baumeister *et al.*, 2001). However, in order to manage this dark side phenomenon effectively, firms must first understand how inherent relationship attributes can result in particular behavioural outcomes – which, in turn, may “darken” typically good-functioning relationships. Abosag *et al.* (2016) claim that firms can obtain valuable understandings concerning the nature of their business relations, as well as how to manage them better, by more vigilantly monitoring and analysing negative relationship elements. Hence, business partners need to develop the dynamic capabilities that allow them to identify not only antecedents and consequential outcomes of dark side behaviour, but also the symptoms that may arise and that can potentially harm the dynamics and longevity of the relationship. These types of dynamic capabilities can thus assist firms in attaining successful relationship management competencies.

In this chapter, the theoretical framework concerning the manifestation of dark side behaviour in business-to-business relationships is discussed. Firstly, the parallel relationships between antecedents (shared values, trust, opportunistic behaviour, and uncertainty) and behavioural outcomes (conflict, power, dependence, and commitment) are explored and, secondly, the association between the aforementioned outcomes and the symptoms of dark side behaviour (relational myopia, complacency, vulnerability, and suspicion).

6.2 RELATIONSHIP MARKETING THEORIES

Relationship marketing, or business relationship management, has important roots in social exchange theory (SET), which serves as a key theoretical base for the current study. Social exchange theory is a psychological theory derived from the work of Thibaut and Kelley (1959), used for explaining human behavior within groups. The theory is rooted in the notions of reciprocal exchange. The reciprocal rule dictates that as one individual gives, another person returns, in some measure, what was given (Bothamley 1993; Thibaut and Kelley 1959). The balance of this exchange is not always equal however. Social exchange theory explains that how an individual feels about a relationship and the exchanges within the relationship are dependent on the individual's perceptions of (1) the difference between what is put into the relationship and exchange versus what is returned (2) the kind of relationship a party feel they deserve and (3) the chances of having a better relationship with someone else or the attractiveness of alternatives (Thibaut and Kelley 1959). Over the past decade, SET has been applied to a relationship marketing context in order to explain the relationship dynamics between partnering firms (Luo, 2002) Cropanzano & Mitchell, 2005). Thus, the current study adopts SET as a theoretical foundation to explain how dark side behaviour can manifest in business partnership and consequently affect relationship dynamics.

Other important theories that are addressed throughout this study, which contributes to the examination of how dark side behaviour occurs in business relationship, include transaction cost theory (TCT), the Behavioural Theory of The Firm (BTF), resource dependency theory and process theory of relationship ending.

Behavioural Theory of the firm is a composition of a number of theories that have emerged within economics, sociology, business and management studies in order to deal with the issues of how firms behave in a marketplace and what determines the interfirm relationships (Starbuck et al., 2008). Baker (2009) draws a connection between BTF and the appearance relational myopia and complacency, suggesting that firms will often deal with dynamic events and changes in their environment in a standardised way and that firms will, due to standardised operating procedures, will often act or react unreflectively and automatically. Starbuck et al. (2008) also explain that BTF suggests that positive outcomes usually reinforce certain behaviours even if better alternatives are available. Thus, because of preceding behaviours that cultivate automatic responses, as well as reinforce certain mindsets based on previous experiences and performance, BTF can ultimately explain why particular behaviours lead to dark side behaviour.

Furthermore, Williamson (1993) extended the concept of transaction cost theory (TCT) by suggesting that the amount of transaction costs in a business-to-business context (e.g. costs of managing the relationship, the opportunity costs of making relationship decisions, relationship switching costs, etc.) can influence the develop of behaviours and attitudes in a partnership (i.e. conflict, power, dependence and commitment). The transaction cost theory argues that increased switching costs can lead to the creation of bonding effects between business partners (Rindfleisch & Heide, 1997). For example, Geiger et al. (2012) elaborate on the possible association between the transaction cost approach and dependence by emphasising that, in order for a business relationship to be truly of value, it requires relation-specific investments (e.g. dedicated knowledge or assets) from both parties involved. This augmented relational investment could potentially lead to an increase in relationship switching costs, as well as the emergence of an unequal distribution of dependence among parties (Bendapudi & Berry, 1997; Schmitz *et al.*, 2016). Thus, transaction cost theory also provides valuable insight into how the appearance of detrimental behaviours can result in the onset of dark side business behaviour.

Another theory that potentially explains the onset of dark side behaviour in business relationship due to the emergence of certain behaviours and attitudes is resource dependency theory. Resource dependency theory emphasises an organization's need to rely on other parties in order to achieve their desired goals (Pfeffer & Salancik, 2003). For example, if a business relationship is characterised by asymmetric dependence, where one party needs to rely on a counterparty's contribution in order to pursue its own goals, opportunistic behaviour can potentially manifest (Schmitz *et al.*, 2016). For instance, if parties are not mutually dependent, a superior party driven by self-interest can influence an inferior party to pursue goals that are not mutually beneficial. Thus, the resource dependency theory provides a strong theoretical foundation for examining how dark side behaviour manifests in business relationships.

Halinen and Tahtinen's (2002) process theory of relationship ending was also included in the current study, as it offers possible insight into the appearance of vulnerability and suspicion in business relationships. These authors explain that predisposing factors may already exist when firms enter into a business partnership, which makes it more vulnerable to breakdown (Halinen & Tahtinen, 2002). In other words, there might have been issues pertaining the structure or foundation of the relationship prior to its inception, that may ultimately result in its failure. Halinen and Tahtinen (2002) also suggest that precipitating events, which may change how a relationship is structured, can also lead to relationship dissolution. Thus, the process theory of relationship ending emphasises the likelihood of predisposing factors or precipitating events causing damage to business relationships. Based on this framework, it is clear to see how parties

engaged in otherwise functioning business relationships, characterised by trust and commitment, may all of a sudden become vulnerable to the actions of partners in a way they had previously not realised (Baker, 2009).

6.3 THEORETICAL FRAMEWORK

Abosag et al. (2016) argue that a focal aspect to successfully managing the dark side of business relationships, resides in the understanding of *when*, *why* and *how* it occurs, as well as because of *what*. Figure 1.1 provides a theoretical framework for the manifestation of dark side behaviour in business-to-business relationships, including several potential antecedents, behavioural outcomes and symptoms that could possibly influence the onset of this detrimental phenomenon. As depicted in the figure below, shared values, trust, opportunistic behaviour and uncertainty are identified as antecedents because of their inherent nature to influence and shape relationship dynamics and its directionality (Morgan & Hunt, 1994; Baker, 2009; Abosag *et al.*, 2016). Subsequently, based on current literature findings and recommendations, conflict, power, dependence and commitment are selected as behaviour outcomes that result due to the aforementioned antecedents. These outcomes all have the ability, if not managed correctly, to result in the symptoms of dark side behaviour, which are negative relationship attributes that often occur naturally in partnership because of particular predisposing behaviours (Abosag *et al.*, 2016). Ultimately, relational myopia, complacency, vulnerability and suspicion are adopted as possible symptoms of dark side behaviour (Baker, 2009), which serves as an indication that the relationship is no longer as favourable, efficient and functional as it once was. According to Baker (2009), if these symptoms are not reduced correctly, and in a timely manner, it has the capacity to severely damage the relational bonds and steer the relationship towards a premature ending.

Baker's (2009) model investigated the relationship between positive relationship drivers (i.e. trust, commitment, shared values and satisfaction) and symptoms of dark side behaviour (i.e. relational myopia, complacency, vulnerability and suspicion) in order to determine whether excessive levels of the respective positive relationship drivers can result in the dark side of business partnerships. Although, the current study adopts Baker's (2009) symptoms of dark side behaviour, it examines a different approach to explaining the onset of dark side behaviour in business-to-business relationships. Antecedents (i.e., trust, shared values, opportunistic behaviour and uncertainty) and behaviour outcomes (i.e. conflict, power, dependence and

commitment) were identified and adopted as these constructs, according to the literature, all play a significant role in the development of business relationships and can influence the attitudes and behaviours of engaged parties (Morgan & Hunt, 1994; Johnsen & Lacoste, 2016; Ting *et al.*, 2007).

6.3.1 Trust and behavioural outcomes

Morgan and Hunt (1994) define trust in a relationship marketing context as a firm's confidence in a business partner's reliability and integrity. Trust has commonly been referred to as the willingness of partners to rely on each other's word (Moorman *et al.*, 1992), as well as the underlying belief that partners will fulfil needs and undertake certain actions (Anderson & Weitz, 1989). Drawing from the abovementioned descriptions of trust, it is evident why trust is considered such a fundamental "building block" in the development and maintenance of business relationships (Anderson & Jap, 2005). Because of the inherent qualities that often accompany trust, it is possible to infer that the level of trust between firms can influence the relational dynamics, functionality, desirability and continuity of partnerships (Baker, 2009; Abosag *et al.*, 2015). Therefore, the current study investigates how varying degrees of trust in a business relationship can affect the onset of several behavioural outcomes (namely, conflict, power, dependence and commitment), which might consequently result in dark side behaviour.

Trust and conflict

Several studies (e.g Kang & Jindal, 2015; Samaha, Palmatier & Dant, 2011; Williamson, 1985; Weng & Huang, 2012; Graça & Barry, 2019) have found the degree of conflict in a business partnership to affect the level of trust among parties. The current study, however, explores the reverse of the aforementioned by examining the effect of trust on the arousal of conflict in relationships. For the purpose of investigating the role of conflict in the onset of dark side behaviour, the dimensions of dysfunctional and functional conflict are treated as separate constructs.

Mishra (1996) implies that when partners trust one another, they are usually more inclined to accept disagreements at face value, and less likely to misinterpret conflict scenarios based on the belief that a partner's behaviours might be driven by hidden agendas. Across various disciplines, and especially in the field of business management, most studies have investigated the effect of low levels of trust on relationships. For example, Simons and Peterson (2000)

claim that when parties don't trust each other, they are more likely to interpret the ambiguous behaviour of others negatively, as well as justify the resulting conflict as a plausible explanation for their actions. Similarly, several other authors (Morgan & Hunt, 1994; Anderson & Narus, 1990; Moorman *et al.*, 1993) have found that low levels of trust can result in a firm's lack of confidence in their partner's competence, credibility, goodwill, as well as their intentions to act and make decisions in a mutually beneficial way. In other words, a low level of trust can potentially result in a harmful conflicting situation, as parties might not trust their partners' motives, or might lack confidence in their ability to appropriately fulfil what is expected of them in the relationship. Hence, drawing from literature, it is more likely that a low degree of trust may result in dysfunctional conflict, as well as decrease the appearance of functional conflict. According to Mishra (1996) and Pfajar *et al.* (2017), when parties don't trust each other enough, they are less inclined to accept disagreements and, because they are unsure of their partner's true motives, more likely to misinterpret the situation. Consequently, the aforementioned scenario causes strong disagreements, underlying emotions and negative actions that create frustration and result in hostile behaviour (Pfajar *et al.*, 2017, Wu *et al.*, 2012). Parties might also be less willing to resolve conflict productively if they perceive their parties to be having ulterior motives (Abosag *et al.*, 2016).

In contrast to the effect of low levels of trust, several authors (e.g. Arnott, Wilson, Massey & Dawes, 2007; Panteli & Sockalingam, 2005; Massey & Dawes, 2007, Graça & Barry, 2019) maintain that higher levels of trust can strengthen relational bonds, and reduce the emergence of dysfunctional conflict in business relationships. For example, Morris and Cadogan (2001) found that sufficient trust can prevent a hasty or premature rupture in relationships which may lead to dysfunctional conflict. In other words, higher levels of trust in a relationship can help resolve harmful conflict as firms are more likely to retain confidence in their partners' reliability and integrity, and would feel more inclined to resolve issues appropriately (Morgan & Hunt, 1994; Anderson & Jap, 2005; Wu *et al.*, 2012). In their pivotal work regarding relationship marketing, Morgan and Hunt's (1994) commitment-trust theory illustrates that higher partner trust can result in increased functional conflicts, which may consequently facilitate the strengthening of relational bonds. Therefore, based on the abovementioned literature pertaining trust and conflict, it is possible to infer the following:

H1: There is a relationship between trust and functional conflict

H2: There is a relationship between trust and dysfunctional conflict

Trust and power

Business relationships are rarely characterised by an equal distribution of power among parties, as one actor is usually pulling on the shorter end (Johnsen & Lacoste, 2016). Several studies (e.g. Emerson, 1962; Johnsen & Lacoste, 2016; Leonidou *et al.*, 2008; Dapiran & Hogarth-Scott, 2003) have explored the influence of power on relational exchanges. The majority of studies, however, tend to investigate the effect of power on trust and not so much the reverse. For example, Schilke, Reimann and Cook (2015) found that intense power inequality can decrease trust in a social exchange. Results reflected that low-power groups are inclined to anticipate that more powerful exchange partners would place little value on their relationship with them and are more likely to act opportunistically (Schilke *et al.*, 2015). Consequently, in the particular case, low-power actors decide that their more powerful partners cannot be trusted. This indicates that higher levels of power, or a greater disparity in power among parties, can result in lower levels of trust. Other studies (e.g. Abolhasanpour *et al.*, 2011; Pulles, Veldman, Schiele & Sierksma, 2014; Jain *et al.*, 2014) indicate that non-coercive forms of power (e.g. reward power) can enhance the level of trust among exchange partners. Liu *et al.* (2010) and Jain *et al.* (2014) claim that non-coercive power usually fosters a high degree of agreement, which may subsequently support effective communication and information sharing, as well as increased partner credibility.

Although the current study agrees that the distribution of power in a relationship has the ability to influence the level of trust among parties, it aims to investigate the reverse association in which trust affects power. Drawing from existing literature, it is possible to infer that when a partnership is characterised by high levels of trust, parties tend to exhibit more confidence in their partners' abilities and competence (Morgan & Hunt, 1994), and according to Anderson and Jap (2005) they are more inclined to believe that their partners will fulfil their needs and undertake certain actions. Thus, due to this predisposition that parties will behave and act accordingly and as expected, firms may feel less disposed to influencing their partner to behave and act in manner they would not have otherwise in order to achieve certain objectives (Emerson, 1962; Jain *et al.*, 2014). In other words, higher levels of trust among business partners can decrease the likelihood of the exertion of power. Furthermore, it is also plausible to infer that low levels of trust can heighten the impact of power in a relationship. For example, Ratnasingham (1999) investigated the risks often associated with low trust among trading partners in electronic commerce and found that there are certain risks that arise from low trading partner trust, which among others, include coercive power. Hence, it can also be theorised that

low levels of trust among partners can increase the usage of power in business relationship. Based on the aforementioned literature, the current study derives the following hypotheses:

H3: There is a relationship between trust and non-coercive power

H4: There is a relationship between trust and coercive power

Trust and dependence

Dependence has been defined as a firm's need to maintain a relationship with a specific partner in order to achieve certain objectives (Frazier, 1983; Schmitz *et al.*, 2016). Previous studies have mostly either investigated trust and dependence as antecedents of several relationship marketing phenomena or have explored the effect of dependence on trust. For example, Zhang and Huo (2012) explored the relationship between dependence and trust in supply chains, and found that dependence is positively associated with trust, indicating that it prompts a manufacturer to build trust with both customers and suppliers. According to the transaction cost theory, if dependence is high but manufacturers do not invest in building trust with partners, they are more likely to develop opportunistic behaviours (Laaksonen *et al.*, 2008).

Although, the current study acknowledges the association between dependence and trust, it aims to examine the less researched avenue that includes exploring the effect of trust on dependence. In interfirm relationship development, trust emerges from one party's perception of the other's devotion to the partnership (Wang *et al.*, 2011). Trust can provide possible methods to tackle the negative effects of dependence (McCarter & Northcraft, 2007), and reciprocal trust may reduce the risk that a powerful partner might take advantage of its dependence (Zhao *et al.*, 2008). When a relationship is characterised by higher levels of trust, parties might be more inclined to rely on their partners and invest in the relationship (Schmitz *et al.*, 2016), as well as be encouraged to share resources and information to obtain mutual goals and objectives (Morgan & Hunt, 1994). Consequently, high levels of trust can cause parties to become "entwined" and reliant on one another, which may result in increased dependence.

However, low levels of trust can also influence the degree of dependence among partners. When a partnership is characterised by low levels of trust, parties may experience a lack of confidence in their partners' competence and behaviours (Johnsen & Lacoste, 2016). This may reduce partner and relationship dependency, as firms may not entrust their partners to complete certain tasks, or to be reliant in terms of goal achievement. Additionally, low levels of trust can cause firms to refrain from sharing resources and information, which can prevent dependencies from

forming (Johnsen & Lacoste, 2016). Therefore, based on this discussion pertaining the relationship between trust and dependence, the following hypothesis can be derived:

H5: There is a relationship between trust and dependence

Trust and commitment

Commitment can refer to firm's willingness to make short-term sacrifices in order to maintain a relationship (Anderson & Weitz, 1992). According to Jiang, Henneberg and Naudé (2012), higher levels of commitment are expected to be linked with relationship success since more committed partners will endeavour to balance short-term problems with long-term goal achievement. Long-term partnerships cannot be maintained without an adequate level of commitment between firms (Jiang *et al.*, 2012, Hashim & Tan, 2015). A number of studies (e.g. Human & Naudé, 2014; Chen, Yen, Rajkumar & Tomochko, 2010; Hashim & Tan, 2015) have reported findings that show a positive relationship between trust and commitment. Some studies (e.g. Dowell *et al.*, 2015; Chen *et al.*, 2017; Kwon & Suh, 2005, Hashim & Tan, 2015) have also indicated that if a firm does not feel its partner is honest, competent and benevolent enough, the relationship might become characterised by low levels of trust – which may subsequently result in low levels of commitment. Trust is considered a major determinant of relationship commitment (Morgan and Hunt, 1994), and thus no commitment is consummated unless partners feel that trust has been established (Kwon & Suh, 2005). In contrast, when a relationship is characterised by high levels of trust, firms may be more confident that their partners will not act opportunistically towards them (Roberts-Lombard, Mpinganjira & Svensson, 2017). Trust can help reduce levels of perceived vulnerability to risk (Svensson, 2004), as well as create an environment where firms can invest in building long-term relationships (Oh, 1987). Morgan and Hunt (1994) also emphasise the importance of trust pertaining firms' decisions to invest in the development of a relationship. Accordingly, the current study hypothesises the following:

H6: There is a relationship between trust and commitment

6.3.2 Shared values and behavioural outcomes

Shared values have been defined as the extent to which parties have beliefs in common about what behaviours, goals and policies are important or unimportant, appropriate or inappropriate, and right or wrong (Morgan & Hunt, 1994). When a business relationship is characterised by a

substantial amount of shared values, parties may be considered to be “on the same page” regarding how their relationship works, should work, and how business practices and endeavours should be approached (Baker, 2009). In other words, shared values can express the extent to which business partners might think in the same way or share similar beliefs regarding how they conduct themselves in their relationships. Because shared values can affect relationship dynamics, along with its functionality and desirability, the current study investigates the relationship between shared values and particular behavioural outcomes that can potentially result in the onset of dark side behaviour.

Shared values and conflict

Conflict has been described as the tension that arises between parties due to perceived differences (Raven & Kruglanski, 1970) and partners being incompatible (Skarmeen, 2006). Several authors (e.g. Johnsen & Lacoste, 2016; Yandle & Blyth, 2000; Abosag *et al.*, 2015) claim that conflict within business relationships tend to surface when firms find it difficult to work together, consequently causing the disruption of operations. There is a lack of research regarding the influence of shared values on business relationships and, therefore, the current study investigates the association between shared values and conflict in order to better understand particular behavioural outcomes that emerge in partnerships. Firstly, this study theorises that when a relationship is characterised by a substantial amount of shared values, business partners are more likely to think the same way and share similar perspectives regarding their relationship and its dynamics (Baker, 2009). Consequently, it is less likely that differences, disagreements and incompatibilities will surface in the relationship, which can possibly reduce the appearance of dysfunctional conflict. Additionally, partnerships with high levels of shared values are also more prone to better resolve and manage conflict situation, as parties are usually driven by similar mindsets and values (Baker, 2009). Hence, the amount of shared values within a relationship can affect the degree of functional conflict between parties. Secondly, low levels of shared values can potentially result in more disagreements and difference among partners, as firms may not be compatible or share similar outlooks regarding the relationship and how it should be governed (Baker, 2009). Therefore, low levels of shared values within a partnership can potentially increase dysfunctional conflict, as well as decrease functional conflict. The current study therefore hypothesises the following:

H7: There is a relationship between shared values and functional conflict

H8: There is a relationship between shared values and dysfunctional conflict

Shared values and power

Raven and French (1968) incorporated the elements of control and influence to define power as the force induced by an actor on another in order to bring about change. A number of studies have explored the influence of power dynamics within business relationships, and they infer that the distribution of power among partners can have a noteworthy effect on relational operations. For example, Rehme et al. (2016) and Schilke et al. (2015) both identified that more powerful actors often use, or misuse, their position of power to encourage or force their “weaker” counterparties to act in specific way in order to achieve certain objectives. Thus, the current study explores the effect of shared values on power, by inferring that the amount of shared values among parties may influence the level of consensus in the relationship, which can subsequently affect parties’ decision to exert their power and act opportunistically (Schilke *et al.*, 2015, Dietz & Weibel, 2014; Miocevic, 2020; Abosag *et al.*, 2015). In other words, when a relationship is characterised by a substantial amount of shared values, parties are more likely to have similar perspectives regarding their relationship, and disagreements and incompatibilities are less likely to surface. Consequently, high levels of shared values among partners can influence power dynamics, as firms may be less likely to exert power when they believe their partners to act in a desirable manner. However, it is also possible that higher levels of shared values within a partnership, can cause low-power parties to become more accepting of their powerful partner’s use of power in the relationship (Johnsen & Lacoste, 2016; Miocevic, 2020; Abosag *et al.*, 2015). Based on the abovementioned theory pertaining shared values and power dynamics, the current study proposes the following:

H9: There is a relationship between shared values and non-coercive power

H10: There is a relationship between shared values and coercive power

Shared values and dependence

Dependence within a business relationship has been defined as firm’s need to rely on the contribution of another in order to achieve certain goals and objectives (Emerson, 1962). Schmitz et al. (2016) suggest that sources of dependency can be grouped into three main categories, namely relational, partner-inherent and market-related sources. When investigating the effect of shared values – an imperative driver of relationship development – on dependence in a partnership, the current study considers relational sources to be the central focus. Relational sources generally comprise of reasons that underlie relational bonds between partners (Schmitz

et al., 2016). For example, several authors (e.g. Laaksonen *et al.*, 2008; Kopfer, Kotzab, Corsten & Felde, 2005; Casciario & Piskorski, 2005) imply that dependence is more likely to emerge when partners form close ties, and jointly invest more in the relationship. However, Anderson and Jap (2005) found that when firms form close exchange relationships, characterised by high levels of compatibility, trust and commitment, they often tend to become more entwined in terms of resources, operations and goal achievement. Consequently, firms may become overly dependent due to these relational aspects, which can over time potentially cripple parties' perceptions of the relationship, its dynamics and the environment in which it operates (Baker, 2009).

Although there is a fair amount of research pertaining the effect of dependence on exchange relationships, little to no studies have investigated the association between shared values and dependence in a business-to-business context. Based on literature concerning both shared values and dependence, it possible that when a relationship is characterised by high levels of shared values, parties might be more compatible, and also share similar perspectives regarding their relationship, its dynamics and how it should be governed (Baker, 2009). The “good feelings” often associated with these higher levels of compatibility and understanding (Baker, 2009) might inspire parties to increase their investment in the relationship, as well as encourage the development of relational bonds and resource ties. Consequently, a substantial amount of shared values can result in firms becoming more entwined with one another, which can ultimately lead to high levels of dependency. On the other hand, low levels of shared values within a relationship can signify incompatibility among partners, which may prevent them from investing in the development of relationship, or sharing resources and information beyond contractual agreements (Anderson & Jap, 2005; Abosag *et al.*, 2015). Thus, the following hypothesis can be derived from the abovementioned literature:

H11: There is a relationship between shared values and dependence

Shared values and commitment

Shared values have been of great interest to organisational researchers, in particular to those who explore the development of commitment within business relationships (Zineldin & Jonsson, 2000). Many authors (e.g. Morgan & Hunt, 1994; MacMillan, Money, Money & Downing, 2005; Fullerton, 2003; Theron, Terblanche & Boshoff, 2008; Dolatabadi & Safa, 2010; Phelps & Campbell, 2012) report a positive relationship between shared values and relationship commitment. Kelman (1961) claims that partners' attitudes and behaviours usually

result from having the same values as the other. For example, when a relationship is characterised by high levels of shared values among firms, they are more likely to be compatible and to share similar philosophies pertaining their relationship and its future (Morgan & Hunt, 1994; Baker, 2009). Therefore, it possible that the level of shared values in a business relationship can influence the level of commitment between partnering firms. Accordingly, the following hypothesis is proposed:

H12: There is a relationship between shared values and commitment

6.3.3 Opportunistic behaviour and behavioural outcomes

One of the key elements that drives transaction cost analysis is opportunistic behaviour (Zineldin & Jonsson, 2000). Opportunism has been defined as “self-interest seeking with guile” (Williamson, 1975:6). More specifically, however, opportunistic behaviour within business partnerships commonly refers to a situation in which parties realise their own gains separately (Conner & Prahalad, 1996) and, as a result, individual needs are prioritised and pursued over mutual goals and objectives (Abosag *et al.*, 2016). A magnitude of studies (e.g. Abosag *et al.*, 2016; Laan, Voordijk & Dewulf, 2011; Lai *et al.*, 2012; Brookes, Altinay & Aktas, 2015; Mukherjee & Nath, 2003) have explored the impact of opportunistic behaviour on exchange relationships. For example, Anderson and Jap (2005) maintain that opportunistic behaviour can result in certain behaviours, attitudes and actions that can potentially damage relationship dynamics, as well as leave parties vulnerable to exploitations and deceit. Therefore, the current study examines the association between opportunistic behaviour and possible behavioural outcomes that can lead to the manifestation of dark side behaviour in interfirm partnerships.

Opportunistic behaviour and conflict

Many studies (e.g. Zineldin & Jonsson, 2000; Morgan & Hunt, 1994; Das & Rahman, 2015; Skarmeas, 2006) have explored the impact of opportunistic behaviour on business relationships. For example, Samaha, Palmatier and Dant (2011) maintain that opportunism in partnerships causes partners to start looking out for their narrow self-interests rather than mutually beneficial interests. When opportunistic behaviours and attitudes surface within relationships, it is more likely that parties might violate agreements and indulge in deceitful behaviour aimed at seeking self-interest (John, 1984; Williamson, 1975). Several authors (e.g. Kang & Jindal, 2015; Cheng & Sheu, 2012; Claro, Vojnovskis & Ramos, 2018; Foss & Weber, 2016) have found that

conflict – especially dysfunctional conflict – can result in the onset of opportunistic behaviour in exchange relationships. The current study, however, investigates the reverse by exploring the effect of opportunistic behaviour on both dysfunctional and functional conflict. Skarmeas (2006) has reported a negative relationship between opportunism and functional conflict. Opportunistic behaviour often reflects a lack of candor or honesty concerning transactions, and often include guileful self-interest seeking behaviour embodied in calculated efforts to mislead and confuse trading partners (Williamson, 1985). When a firm acts opportunistically, they may misrepresent information and material facts, evade obligations, fail to honour promises, as well as demonstrate no regard for principles (Skarmeas, 2006). Consequently, this type of behaviour can generate feelings of tension and frustration, as well as incite resentment and vindictiveness in partners, as operations are usually disrupted, and a sense of justice undermined. Under these circumstances, firms are often more likely to lock themselves into a “conflict spiral” rather than to work together to resolve relationship problems in a mutually beneficial way (Skarmeas, 2006).

Based on these abovementioned findings and theoretical underpinnings, the current study theorises that increased opportunistic behaviour might result in higher levels of dysfunctional and lower levels of functional conflict, and vice versa. Accordingly, the following hypotheses are developed:

H13: There is a relationship between opportunistic behaviour and functional conflict

H14: There is a relationship between opportunistic behaviour and dysfunctional conflict

Opportunistic behaviour and power

According to Cai, Goh, de Souza and Li (2013), the use of power can potentially influence the operational decisions of parties in supply chain relationships. Several authors have explored the impact of power on opportunism in interfirm partnerships, and most reported that a relationship does indeed exist between power and opportunism. Joshi and Arnold (1997), as well as Lusch and Brown (1996), argue that power can either have a positive or negative effect on opportunism, depending on specific circumstances. For example, in outsourcing relationships, Handley and Benton (2012) found that a buyer’s coercive power is related to an increased risk of opportunistic behaviour (e.g. poaching and shrinking) by the service provider, as well as that a buyer’s non-coercive power is related to a decreased risk of opportunistic behaviour (e.g. poaching and shrinking). Additionally, based on various theories and empirical tests, Hawkins,

Pohlen and Prybutok (2013) reported that power is an important factor that influences the appearance of opportunism in business relationships.

Although the current study accepts that the degree and directionality of power can influence the level of opportunistic behaviour in partnerships, it investigates the reverse association by exploring the effect of opportunistic behaviour on both non-coercive and coercive power. Non-coercive power is positively related to collaborative relationships (Benton & Maloni, 2005), and facilitates information and knowledge sharing, integrates processes (Cai *et al.*, 2013; Zhao *et al.*, 2008), as well as enhances understanding between partners (Wang, Ye & Tan, 2014). Non-coercive power is executed through a positive influence, and usually signals that partners treat each other like friends (Liu *et al.*, 2010; Jain *et al.*, 2014). Therefore, when parties act opportunistically, it may possibly affect the level of non-coercive power executed in a relationship, as firms may be more inclined to use their power out of self-interest to bring about a certain change and get their partners to act in a particular manner in order to achieve specific goals which are narrowly beneficial. On the other hand, coercive power reflects negative aspects pertaining to the use of power (Benton & Maloni, 2005), and can damage cooperation between partners, increase conflict and reduce relationship satisfaction (Leonidou *et al.*, 2008). When firms act opportunistically, it possible that they might exert their position of power to force their partners to act specific in order to achieve self-interest orientated objectives. Thus, the current study proposes the following hypotheses:

H15: There is a relationship between opportunistic behaviour and non-coercive power

H16: There is a relationship between opportunistic behaviour and coercive power

Opportunistic behaviour and dependence

Wang, Huo, Tian and Hua (2015) refer to opportunism as a situation in which a firm seeks to benefit at the expense of its partner, by breaching agreements, withholding information, or withdrawing promises. Luo (2006) emphasises that opportunistic behaviour can also arise in the form of partner manipulation and entrapment. Although many studies (e.g. Joshi & Arnold, 1997; Hartmann & Herb, 2014; Hawkins, Wittmann & Beyerlein, 2008) have investigated the effect of dependence on opportunistic behaviour within exchange relationships, this study explores the relationship between opportunistic behaviour and dependence. When opportunistic behaviours are directed at influencing partners to use their efforts to achieve the self-interest of one party, or aligning the relationship with the self-interest of the latter (Hawkins *et al.*, 2013), it possible that it can influence the level of dependence among partners. Thus, it is possible that

parties can use manipulation and other opportunistically inclined behaviours that speak to the development of relational sources of dependence. For example, when a firm wants to control and exploit its partner, it might act opportunistically in order to obtain heavy resource ties and relational bonds to ensure partners become dependent and cannot function without their input in the relationship. Accordingly, the current study hypothesises the following:

H17: There is a relationship between opportunistic behaviour and dependence

Opportunistic behaviour and commitment

Morgan and Hunt (1994) found that when a party believes that a partner engages in opportunistic behaviour, such perceptions might result in decreased trust. Similarly, these authors suggest that opportunism may have an indirect negative effect on commitment via trust (Morgan & Hunt, 1994). Skarmeas et al. (2002), along with several others (e.g. Liu *et al.*, 2010; Mysen *et al.*, 2011; Ting *et al.*, 2007; Gutiérrez, Cillán & Izquierdo, 2004), reported a direct negative effect of opportunism on commitment. The current study agrees that when a partnership is characterised by high levels of opportunism, firms might pursue self-seeking agendas over mutually beneficial gains, which can consequently affect the desirability and continuity of the relationship. In other words, if partners act opportunistically, they may feel less inclined to maintain the relationship because of the unfavourability brought on by opportunism (Morgan & Hunt, 1994). Therefore, the following is proposed:

H18: There is a relationship between opportunistic behaviour and commitment

6.3.4 Uncertainty and behavioural outcomes

Achrol and Stern (1988) define uncertainty as the extent to which a partner has sufficient information to make key decisions, can foresee the consequences of these decisions, and has confidence in them. Similarly, Eriksson and Sharma (2003) refer to uncertainty in business partnerships as the “gap” between expected and realised future outcomes, emphasising the effect of how limited information can influence firms’ abilities to make decisions. In other words, uncertainty can reflect a firm’s inability to predict something accurately (Milliken, 1978). Several researchers have investigated the effect of uncertainty within exchange relationships. For example, Klein (1996) found that high levels of uncertainty may produce information asymmetries between sellers and buyers, increasing the potential of opportunism in the relationship. Hedaa (1993) reported that uncertainty may lessen the ability of firms to

plan for future conditions, which may lead to reluctance to invest additional time and resources in the working relationship. Hakansson and Snehota (1995) also found that high levels of uncertainty can cause problems concerning the coordination of activities performed by partners. Based on the abovementioned theory and findings, it is plausible to infer that uncertainty can potentially influence inter-firm partnerships. The current study, therefore, adopts uncertainty as an antecedent of dark side behaviour, as it can potentially shape the behaviours, actions and perceptions of partners, which can subsequently affect the dynamic of a relationship, as well as its favourability and efficiency.

Uncertainty and conflict

A number of studies (e.g. Leonidas *et al.*, 2006; Mysen *et al.*, 2010; Abosag *et al.*, 2016; Ting *et al.*, 2007) have treated uncertainty and conflict as antecedents of various relationship marketing phenomenon. However, very few have investigated the relationship between uncertainty and conflict. Pfeffer and Salancik (1978) describe uncertainty as the degree to which an organisation cannot anticipate or accurately predict the future of its relationship with another, which can result mainly from problems regarding the availability of adequate, relevant and timely information. More specifically, Eriksson and Sharma (2003) refer to relationship uncertainty as the lack of certainty pertaining their partners' decisions and intentions, which can disable firms from making accurate predictions, as well as confidently making decisions concerning the future of their relationship. Hence, when a partnership is characterised by high levels of uncertainty, parties might feel vulnerable due to a lack of certainty pertaining their partners' decisions and intentions, and they may consequently feel less inclined to invest in relationship development, or to share information openly (Abosag *et al.*, 2016). On the other hand, it is also possible that lower levels of uncertainty can result in higher levels of functional conflict, as more certainty may encourage parties to be more cooperative and transparent, and to increase knowledge sharing (Leonidas *et al.*, 2006). Therefore, the current study proposes the following:

H19: There is a relationship between uncertainty and functional conflict

H20: There is a relationship between uncertainty and dysfunctional conflict

Uncertainty and power

According to resource dependency theory, firms often form an interdependent partnership to deal with external and internal uncertainties (Pfeffer & Salancik, 2007; Wang *et al.*, 2015). Although resource dependencies theory implies that uncertainty does have a general effect on the use of power in exchange relationships, research studies pertaining to the association between uncertainty and the use of non-coercive and coercive power is minimal. However, several authors have investigated the relationship between uncertainty and power dynamics, of which most have reported a positive relationship. For example, Ketchen and Hult (2007) suggest that higher levels of uncertainty in a partnership can encourage parties to use their power in order to try and reduce these uncertainties. Hence, in certain and stable relationships, parties are usually less motivated to control their partners' behaviour (Ketchen & Hult, 2007). Wang *et al.* (2015) infer that when facing uncertainties, firms can potentially exercise two types of power in attempt to control the behaviour of their partners. From an economic perspective, parties can protect their interests by punishing their partners if they do not satisfy needs or do not act accordingly (Wang *et al.*, 2015). Chiang and Feng (2007) suggest that when uncertainties increase in a partnership, firms might be more inclined to use coercive power to control the behaviours of partners. On the other hand, parties can also use non-coercive power to reduce uncertainties (Paulraj & Chen, 2007). Firms may choose to influence, control or change their partners' behaviours in a more positive way through the use of non-coercive power (Wang *et al.*, 2015). In other words, parties may be more prone to exert either reward, expert, reference or legitimate power in order to cope with relationship uncertainties and increased information sharing (Leonidas *et al.*, 2006). Accordingly, the current study hypothesises the following:

H21: There is a relationship between uncertainty and non-coercive power

H22: There is a relationship between uncertainty and coercive power

Uncertainty and dependence

Thompson (1967) maintains that an organisation's technical core needs to be protected from uncertainty in order to function effectively. Similarly, business partners need to invest and develop in critical components of their relationship in order to ensure uncertainties can be overcome, or reduced (Abosag *et al.*, 2015). Although, several studies (e.g. Martin, Gözübüyük & Becerra, 2015; Gao, Sirgy & Bird, 2005; Paulraj & Chen, 2007) have investigated the association between dependence and uncertainty, few have explored the effect of uncertainty on dependence within a business-to-business context. When a relationship is characterised by

high levels of uncertainty, parties often lack confidence to perform certain tasks or make required decisions (Eriksson & Sharma, 2003). Ketchen and Hult (2007) suggest that when faced with uncertainties, partnering firms might increase information sharing, as well as combine their efforts in order to better equip themselves to handle uncertainties that appear in their relationship. Consequently, parties become more entwined and become more confident pertaining the governance of their relationship. For example, Gao et al. (2005) found that firms in a highly and mutually dependent relationship are likely to perceive less uncertainty in their partnership. Therefore, high levels of uncertainty can result in higher levels of dependence as parties might draw closer and increase their sharing of information and resources in order to reduce uncertainties within their partnership. However, it is also possible that the level of uncertainty can diminish relational ties and increase vulnerability, causing firms to withdraw themselves and their resources from the relationship in order to protect themselves (Jiang, Shiu & Henneberg, 2013).

Based on the abovementioned literature pertaining the potential association between uncertainty and dependence, the following is proposed:

H23: There is a relationship between uncertainty and dependence

Uncertainty and commitment

A number of studies (e.g. Kwon & Suh, 2004; Weigel, Brown & O’Riordan, 2011; Gao *et al.*, 2005) have explored the relationship between uncertainty and commitment – especially as an indirect effect through which uncertainty influences trust, which subsequently affects the level of commitment in a relationship. However, Gitiérrez, Cillán and Izquierdo (2004) suggest that it is possible that uncertainty can influence relational commitment. These authors infer that the reduction of fear and the lack of confidence that is usually associated with uncertainty in a relationship, is often considered an important requisite for firms in order to commit to a partner. When a partnership is characterised by a high degree of uncertainty, parties might be less willing to commit due to feelings of insecurity, doubt, or fear of erring (Gitiérrez *et al.*, 2004). Therefore, the level of uncertainty within a partnership can potentially influence the level of commitment between business partners, as uncertainty has the ability to affect important relational components and behaviours. Accordingly, the current study proposes the following hypothesis:

H24: There is a relationship between uncertainty and commitment

6.3.5 Functional conflict and symptoms of dark side behaviour

Functional conflict refers to the healthy and vigorous challenge of ideas, beliefs and assumptions (Tjosvold, 1985). Similarly, Skarmeas (2006) and Pfajar et al. (2017) describe functional conflict within a partnership as differing opinions among partners pertaining to relationship tasks, strategy business ideas and other relationship-related issues that tend to be discussed openly and resolved, and which subsequently facilitates the strengthening of relational bonds. Pascale (1990) also referred to functional conflict as the constructive form of conflict that has been posited to exist in innovative and successful organisations and interfirm relationships. Several studies have indicated that functional conflict can result in positive relational outcomes such as increased collaboration (Jehn & Mannix, 2001), improved quality of connections, as well as intensified interactions between parties (McEvilly, Perrone & Zaheer, 2003). The current study thus investigates the relationship between functional conflict and symptoms of dark side behaviour in order to explain how it can possibly harm business relationships if not managed correctly.

Functional conflict and relational myopia

Baker (2009) defines relational myopia as the occurrence in which partnering firms embrace a too-narrow perspective regarding their relationship, its dynamics and how it should be governed as it manoeuvres through its operating environment. Parallel to strategic inertia, relational myopia can also surface due to a lack of innovative ideas, challenging perspectives, and the unwillingness to consider alternatives (Baker, 2009). Usually, when firms exhibit a high level of functional conflict, parties are more willing to consider new ideas and changes suggested by partners, and also more likely to volunteer information and new ideas (Bharadwaj & Howell, 1996). Schwenk (1989) suggests that when functional conflict arises, there is constructive interaction between parties during which opinions and feelings are freely expressed. Consequently, it is possible that functional conflict can lead to careful consideration of alternatives and assumption of underlying decisions (Cosier & Schwenk, 1990). Therefore, it is possible that lower levels of functional conflict can result in higher levels of relational myopia. However, Cosier and Dalton (1990) maintain that functional conflict can also generate stronger commitment to chosen strategies, procedures and ideas. Hence, higher levels of functional conflict also have the potential to increase relational myopic tendencies within a relationship. Accordingly, the following hypothesis can be derived:

H25: There is a relationship between functional conflict and relational myopia

Functional conflict and complacency

Baker (2009) describes complacency as the inability of firms to recognise deficiencies in their once-productive systems. One of the most problematic aspects of complacency for business relationships is that it usually occurs in “strong” relationships, which contain intense feelings of trust, commitment, loyalty and satisfaction (Lund *et al.*, 2015). For example, when a business partnership becomes characterised by excessive levels of comfort and confidence, partners might neglect to vigilantly monitor their relationship dynamics, as well as their operating environment (Lund *et al.*, 2015). Thus, complacency can surface due to positive relationship experiences and “good feelings” that often accompany desirable partnerships.

Several studies (e.g. Jehn & Mannix, 2001; Shi, Cao, Chen & Chow, 2019; Pfajfar *et al.*, 2017; Massey & Dawes, 2007) have explored the phenomenon of functional conflict in business relationship. For example, Jehn and Mannix (2001) maintain that functional conflict is associated with positive outcomes, such as the identification and discussion of alternative perspectives and removal of impediments in order to work effectively together. Similarly, Pfajfar *et al.* (2017) suggest that functional conflict can lead to creative friction – which can encourage parties to challenge current perspectives through the exploration of new ideas, procedures and business models. Therefore, it is possible that functional conflict can interrupt or prevent the onset of a complacent culture in relationships, as it generally entails a component that challenges current perspectives, using differences in opinions to find new and mutually beneficial solutions. However, because complacency can also stem from positive relationship experiences and high levels of favourability, functional conflict also has the potential to influence the appearance of relationship complacency. In other words, firms may neglect to explore alternative partners due to excessive confidence and trust in their present relationship and their ability to resolve conflicting situations. The current study accordingly hypothesises the following:

H26: There is a relationship between functional conflict and complacency

Functional conflict and vulnerability

Attridge *et al.* (1998) define vulnerability as a party’s concern regarding the continuation of a relationship and its partner’s future provision of need satisfaction. Vulnerability within a

business partnership can be influenced by the degree of dependence between firms, as well as by how much they trust each other to act accordingly and make appropriate decisions (Svensson, 2004). In other words, vulnerability can be described as the extent to which parties feel vulnerable in their relationships because of the likelihood that a particular disturbance might occur, which may subsequently harm them and their business (Svensson, 2002). Pfajfar et al. (2017) maintain that functional conflict has the capacity to strengthen relational bonds, improve the quality of connections, as well as to intensify interactions. Several authors (e.g. Jehn & Mannix, 2001; Pfajfar *et al.*, 2017; Johnsen & Lacoste, 2016) also infer that functional conflict can positively influence relationships, as it can enhance cooperation, stimulate idea generation, strengthen feelings of security, as well as increase the level of confidence of partners in one another. Therefore, it is possible that, when a relationship is characterised by high levels of functional conflict, parties may feel less vulnerable as they might be more confident that their partners will act with integrity, and that they will experience more security concerning the continuity of their relationship. Based on the abovementioned theory, the current study accordingly proposes:

H27: There is a relationship between functional conflict and vulnerability

Functional conflict and suspicion

Anderson and Jap (2005) suggest that firms might experience a sense of increased vulnerability out of fear of being victimised by their business partners. This fear that others will act opportunistically, or foster negative intentions, can result in the onset of suspicion within relationships (Anderson & Jap, 2005). Suspicion within the context of business relationships has been conceptualised as a dynamic cognitive effortful state in which a firm, because of uncertainty as to whether a partner may be concealing harmful or opportunistic intentions, engages in the active and thoughtful consideration of these motives and plausible casual explanations underlying partner behaviour (Hunter *et al.*, 2011). Baker (2009) identifies suspicion as a symptom of the dark side of relationship marketing, as it can potentially damage typically good-functioning relationships, as well as weaken relational bonds.

When a partnership becomes characterised by high levels of functional conflict, differing opinions can be resolved in a way that usually strengthen relational ties (Pfajfar *et al.*, 2017), increase cooperation (Jehn & Mannix, 2001), enhance positive relationship drivers (e.g. trust and commitment) and intensify interactions (McEvilly *et al.*, 2003). In other words, functional conflict can result in a better understanding between partners concerning each other's needs

and behaviours, as well as increased communication efficiency and how well they work together (Johnsen & Lacoste, 2016; Pfajfar *et al.*, 2017). Thus, it is possible that functional conflict can reduce suspicion within business relationships as parties are less likely to believe that their partners have ulterior motives or hidden agendas. Accordingly, the current study proposes the following hypothesis:

H28: There is a relationship between functional conflict and suspicion

6.3.6 Dysfunctional conflict and symptoms of dark side behaviour

Dysfunctional conflict usually comprises of strong disagreements, underlying emotions and negative actions that create frustration and hostility within a relationship (Pfajfar *et al.*, 2017). Similarly, Menon, Bharadwaj and Howell (1996) suggest that dysfunctional conflict commonly concerns unhealthy behaviours between partners that involve friction, anger, clashes and tension in their interaction, which can disrupt operations and build distrust. Skarmeas (2006) found that dysfunctional conflict can result in the onset of an undesirable relationship climate that can potentially damage and disintegrate relational bonds between partners. Several others (e.g. Bradford, Stringfellow & Weitz, 2004; Rose & Shoham, 2004; Amason, 1996; Pfajfar *et al.*, 2017) have also investigated the effect of dysfunctional conflict on business relationships, and have reported parallel findings, reflecting the destructive nature of dysfunctional conflict. For example, Bradford *et al.* (2004) suggest that dysfunctional conflict limits the processing of new information, gives rise to hostile attributions concerning the behaviours of partners, decreases willingness to tolerate opposition, as well as disturbs effective communication and cooperation within a network. Therefore, dysfunctional conflict has the capacity to create obstacles that inhibit decisions and, ultimately, hurt the desirability, functionality and efficiency of interfirm relationships.

Dysfunctional conflict and relational myopia

Pfajfar *et al.* (2017) maintain that firms that find themselves in relationships characterised by friction, anger and hostile feelings, are less willing to adapt and accommodate business partners. Consequently, when a relationship becomes undesirable and inefficient due to dysfunctional conflict, parties may be driven to seek and explore alternative partnerships (Skarmeas, 2006). Therefore, it is possible that dysfunctional conflict can reduce relational myopic tendencies, as friction and hostility might prohibit firms from adopting a too narrow perspective regarding

their relationship and its dynamics (Baker, 2009). However, according to Bradford et al. (2004), dysfunctional conflict can also limit the processing of new information, which can potentially cause firms to become disconnected from their operating environment and oblivious to more attractive alternatives. In other words, dysfunctional conflict can potentially also encourage the appearance of relational myopia in partnerships – especially when the relationship becomes isolated from its operating environment and parties are ill-informed regarding their options. Thus, based on the abovementioned theory, it is possible to infer the following:

H29: There is a relationship between dysfunctional conflict and relational myopia

Dysfunctional conflict and complacency

According to Baker (2009), complacency can manifest within business relationships due to strong relational foundations built over time on feelings of trust, commitment, satisfaction and loyalty. When a partnership becomes characterised by dysfunctional conflict, parties are more likely to exhibit hostility towards one another (Pfajfar *et al.*, 2017) and may be more inclined to act in a way that can potentially damage their relationship and partner (Skarmeas, 2006). Therefore, because dysfunctional conflict can hinder the development of relationships, it can also possibly reduce the likelihood that a complacent culture will emerge. In other words, dysfunctional conflict can impede on relationship success and the emergence of emotional dependencies (Webb & Hogan, 2002), which can prevent complacency from surfacing in business relationships. The current study proposes the following hypothesis:

H30: There is a relationship between dysfunctional conflict and complacency

Dysfunctional conflict and vulnerability

Dysfunctional conflict within interfirm partnerships commonly entails strong disagreements, underlying emotions and negative actions that produce frustration and hostility between parties (Pfajfar *et al.*, 2017). Skarmeas (2006) claim that dysfunctional conflict can damage relationship dynamics and cause parties to pull away from one another, which in turn can decrease important relationship factors such as trust and commitment. Hence, when a relationship is characterised by high levels of dysfunctional conflict, firms might feel more vulnerable as they are less confident that their partners will act and behave with integrity and honesty and in a way that emphasises mutual benefit (Skarmeas, 2006; Johnsen & Lacoste, 2016). In other words, because dysfunctional conflict can harm relational ties and destroy

feelings of trust, security and confidence among partners, it possible to conceive that dysfunctional conflict can influence the degree of vulnerability in partnerships. Accordingly, the current study proposes the following:

H31: There is a relationship between dysfunctional conflict and vulnerability

Dysfunctional conflict and suspicion

Pfajfar et al. (2017) and Skarmeas (2006) agree that dysfunctional conflict usually entail intense disagreements and negative emotions, which can cause partners to become frustrated and hostile, and could consequently lead to the disintegration of relational bonds, as well as the willingness to work together. Tension caused by dysfunctional conflicts can diminish trust, as well to encourage parties to act opportunistically and to seek more desirable and compatible partners (Pfajfar *et al.*, 2017; Skarmeas, 2006; Johnsen & Lacoste, 2016). Hunter et al. (2011) claim that suspicion increases when parties are uncertain in terms of the motivations underlying their partner's actions and decisions. Dysfunctional conflict can cause partners to move away from one another and drive them to pursue self-interest over mutual interest (Baker, 2009). Thus, dysfunctional conflict can decrease trust, commitment and loyalty (Baker, 2009), as well as increase the likelihood pertaining the emergence of opportunism in relationships (Pfajfar *et al.*, 2017). Consequently, because of dysfunctional conflict, parties may become more suspicious of their partner's actions and decisions as firms may question the integrity and motive of their intentions. Accordingly, the current study proposes the following:

H32: There is a relationship between dysfunctional conflict and suspicion

6.3.7 Non-coercive power and symptoms of dark side behaviour

Jain et al. (2014) broadly conceptualise non-coercive power as the mechanism that references or mediates positive consequences for compliance. A manifold of studies (e.g. Wilkinson, 1979; Ramaseshan *et al.* 2006; Yu & Pysarchik, 2002; Raven *et al.*, 1993; Jonsson & Zineldin, 2003; Liu, Zhang & Yuan, 2010) have explored the phenomenon of non-coercive power in the context of exchange relationships, of which many have reported it to have a positive impact on components of interfirm partnerships. Leonidou et al. (2008) suggest that the exercise of non-coercive power can help to increase financial and social benefits through, for example, the offering of financial rewards, provision of assistance, and access to specialised information. Subsequently, the aforementioned use of non-coercive power can promote common interests

and collective goals within a relationship, as well as enhance a friendly and constructive atmosphere. These positive aspects may lead to higher levels of satisfaction within the working relationship (Leonidou *et al.*, 2008). Similarly, Arend and Wisner (2005) remark that non-coercive power is a driver for teamwork, improved relationships in the supply chain and better individual performance for a firm. Non-coercive power can also cultivate relatively high levels of agreement between partners (Leonidou *et al.*, 2008). Because of its ability to influence relationship dynamics, the current study examines the association between non-coercive power and possible symptoms of dark side behaviour.

Non-coercive power and relational myopia

Non-coercive power involves the target's admiration for the source (referent) and provision of benefits to partners, such as exchange of information and expertise, rewards, and/or the use of legitimate rights (Jain *et al.*, 2014). The use of non-coercive power suggests that firms often communicate with their partners and share information and skills (Liu *et al.*, 2010). When parties share information, they provide a signal of "good faith" and benevolent motives and intentions (Jain *et al.*, 2014). Similarly, when firms share expertise, they develop the belief that partners are capable of fulfilling promises and that they are therefore reliable (Moorman *et al.*, 1992). According to Luo *et al.* (2011), the abovementioned outcomes of non-coercive power within a relationship can foster great value and interest congruence between business partners, as well as promote high levels of agreement. Consequently, these positive outcomes can enhance the credibility of partners and promote the belief that parties are motivated to seek mutual gain (Jain *et al.*, 2014). The provision of rewards and assistance by partners can also act as a sign of support and goodwill, which can result in higher levels of trust and commitment in the relationship (Hald, Cordon & Vollmann, 2009). Relational myopia can, hence, appear within relationships due to the constructive and positive outcomes of non-coercive power. In other words, firms may become excessively reliant and trusting based on positive feelings and results brought on by the exercise of non-coercive power, which may disable them from identifying threats and opportunities in both internal and external environments. Accordingly, the current study hypothesises:

H33: There is a relationship between non-coercive power and relational myopia

Non-coercive power and complacency

Lund et al. (2015) maintain that complacency may surface when involved firms become excessively confident in their position in the relationship and overly attached to their partners because of past experiences and positive feelings. Consequently, relationship complacency can cause parties to let down their guard, disabling them from vigilantly monitoring their internal and external environments (Baker, 2009). Complacency may occur when a partnership is characterised by successful past experiences and consistent feelings of satisfaction, reliability, trust and quality exchanges (Baker, 2009; Lund *et al.*, 2015). Partners may become overconfident in their “proven” current practises and productive systems, and thus unable to recognise decencies or a decline in efficiency (Baker, 2009). Because non-coercive power has the ability to cultivate high levels of agreement and cooperation between parties, as well as enhance trust and partner satisfaction (Leonidou *et al.*, 2008; Ramaseshan *et al.* 2006), it is possible that a complacent culture can appear in a relationship characterised by high levels of non-coercive power. However, non-coercive power also has the capacity to disrupt operations and prevent complacency when firms use non-coercive measures to change either the attitude of a partner, or the direction of the relationship (Gelderman, Semeijn & De Zoete, 2008). Therefore, the current study proposes the following hypothesis:

H34: There is a relationship between non-coercive power and complacency

Non-coercive power and vulnerability

Baker (2009) describes vulnerability as the extent to which a firm feels their partner’s actions or decisions might hurt their business or the relationship. Vulnerability usually addresses the concern of parties regarding the continuation of their relationship and a partner’s ability to provide future need satisfaction (Svensson, 2004). Because non-coercive power can enhance teamwork, as well as increase trust and commitment (Arend & Wisner, 2005; Jain *et al.*, 2014), it is possible that higher level of non-coercive power exercised in a relationship can reduce feelings of vulnerability among parties. On the other hand, firms may also use non-coercive power to enforce their beliefs, influence the direction of a relationship, or change the attitudes of their partners (Jain *et al.*, 2014). In other words, parties may use non-coercive power opportunistically in order to promote their self-interest and individual agenda (Dapiran & Hogarth-Scott, 2003). Thus, as opposed to reducing vulnerability, non-coercive power can also cause parties to feel vulnerable. Additionally, the exercise of non-coercive power can also result

less powerful actors becoming more dependent on their stronger partners – which can ultimately result in them becoming entrapped in a relationship. Non-coercive power can, hence, lead to higher level of dependence between parties, which can consequently increase the degree of vulnerability. Accordingly, the current study hypothesises the following:

H35: There is a relationship between non-coercive power and vulnerability

Non-coercive power and suspicion

Although non-coercive power is often associated with positive relationship outcomes (e.g. cooperation, satisfaction, trust, etc.), it can also be used to manipulate others and influence them to behave in a manner they would not have otherwise (Johnsen & Lacoste, 2016). McCormack and Levin (1990) refer to suspicion as a belief that certain messages (i.e. behaviours, decisions, and actions) produced in a particular setting by a specific party may be deceptive. Suspicion within business relationships often entail uncertainty pertaining partners' motives, as the sureness and confidence that usually accompany certainty in terms of intentions are absent (Fein *et al.*, 1990). When a powerful party uses non-coercive power to change the direction of the relationship, or influence another to act differently, partners might become suspicious of the motives underlying the exercise of non-coercive power (Abolhasanpour *et al.*, 2011). For example, opportunistic parties may use rewards to influence their partners to act in a way that benefits the self-interest of the initial firm. Thus, when the motives behind the use of non-coercive power is unclear, it is possible that the level of suspicion in a partnership might increase. Based on this theory, the following can be derived:

H36: There is a relationship between non-coercive power and suspicion

6.3.8 Coercive power and symptoms of dark side behaviour

Coercive power has been defined as the mechanism for gaining target compliance that references or mediates negative consequences of noncompliance (Jain *et al.*, 2014). The use of coercive power by a firm is based on the intention of causing loss to a partner (Zhuang, Xi & Tsang, 2010), and is usually considered negatively orientated power (Jain *et al.*, 2014). Coercive power stems from the expectation held by one relationship partner that the other more powerful partner can punish them if they do not comply with the demand made by the more powerful party (French & Raven, 1968). Lunenburg (2012:3) explains that coercive power has “the ability to influence others by punishing them or by creating a perceived threat to do so”.

In other words, coercive power is based on one party's perception that another may impose punishment if requests of the latter are not complied with (Lacoste & Blois, 2015). According to several authors (e.g. Frazier & Rody, 1991; Rawwas *et al.*, 1997; Jain *et al.*, 2014; Leonidou *et al.*, 2008), the exercise of coercive power involves aggressive, forceful and suppressive behaviour, which can cause other parties in the relationship to perform tasks that they would not otherwise have undertaken. This unwilling engagement is most likely to escalate tension and frustration between partners (Rawwas *et al.*, 1997) and can, consequently, result in the onset of several symptoms of dark side behaviour.

Coercive power and relational myopia

Many studies have explored the harmful impact of coercive power on business relationships, and most have reported a negative relationship between coercive power and constructive relationship outcomes, such as satisfaction (Gelderman *et al.*, 2008; Leonidou *et al.*, 2008) and cooperation (Ferrer, Santa, Hyland & Bretherton, 2010). Coercive power within a partnership constitutes a serious obstacle to effective collaboration (McDonald, 1999), as the depth of collaboration often depends on the power position of partners (Cox, 2007). Hence, unequal power may hinder the attempt of parties to build collaborative relationships (Van Weele & Rozemeijer, 2001). Hausman and Johnston (2010) also found that when the more powerful parties in a relationship act opportunistically through coercion, there is a decline in levels of trust and commitment. Subsequently, coercive power can result in higher monitoring costs and intensified disagreements between partners (Leonidou *et al.*, 2008). Furthermore, because relational myopia generally occurs due to consistent and intense levels of positive relational drivers (e.g. trust, commitment, satisfaction, etc.), it is possible that coercive power can hinder its onset (Baker, 2009). In other words, as coercive power can result in lower levels of collaboration, cooperation and partner satisfaction (Van Weele & Rozemeijer, 2001; Leonidou *et al.*, 2008; Gelderman *et al.*, 2008), parties might be more inclined monitor their internal and external environments – which, in turn, can prevent the relationship from becoming myopic. Accordingly, the current study proposes the following:

H37: There is a relationship between coercive power and relational myopia

Coercive power and complacency

Several authors (e.g. Gelderman *et al.*, 2008; Leonidou *et al.*, 2008; Van Weele & Rozemeijer, 2001) have found that when the more powerful partner in a relationship uses coercive power, a reduction pertaining the level of trust, commitment, satisfaction and collaboration may occur. Because complacency generally emerges due to excessively high levels of the abovementioned relationship outcomes (Baker, 2009), it is possible that coercive power can hinder, and even prevent, the appearance of a complacency in a relationship. Leonidou *et al.* (2008) infer that coercive power can result in increased vigilance and intensified disagreements between parties, which can prevent firms from becoming overly reliant on current practices, blindly trusting their partners. Subsequently, coercive power can decrease the appearance of complacent behaviours in a partnership. However, some authors (e.g. El-Ansary & Stern, 1972; Abolhasanpour *et al.*, 2011; Johnsen & Lacoste, 2016; Leonidou *et al.*, 2008; Jain *et al.*, 2014) maintain that suppression is a key component of coercive power, and that it is the reason that tension and frustration are often associated with coercive power. Powerful partners can employ suppressive behaviours to force partners to act in a way they would not otherwise have done (Jain *et al.*, 2014). Therefore, complacency can also surface when the more powerful firms in a partnership use coercive power to govern their relationship according to their specific preferences. The current study thus proposes the following hypothesis:

H38: There is a relationship between coercive power and complacency

Coercive power and vulnerability

Hunt and Nevin (1974) describe coercive power as the aggressive and manipulative use of power in an exchange relationship. Firms may use coercive power, in the form of threats and punishments, to gain partners' compliance (Kumar, 2005). Consequently, coercion can have a negative impact on relationships, and as a result parties might start to feel vulnerable and experience frustration with regard to relationship dynamics (Leonidou *et al.*, 2008; Jain *et al.*, 2014). Yeung, Selen, Zhang and Huo (2009) suggest that the use of coercive power can also be a sign of future opportunistic behaviour and can, therefore, increase the feeling of vulnerability, as well as hesitation pertaining to the sharing of information and investing in relationship development. Based on the abovementioned theory, the current study proposes the following hypothesis:

H39: There is a relationship between coercive power and vulnerability

Coercive power and suspicion

Several authors (e.g. Yeung *et al.*, 2009; Chung, 2012; Van Weele & Rozemeijer, 2001; Ireland & Webb, 2007; Hausman & Johnston, 2010) infer that coercive power can result in opportunism and, as a result hinder cooperation, information sharing and the development of trust and commitment. In this case, firms might become fearful of being exploited by their partners – which could subsequently signal that they neither credible nor interested in the welfare of their counterparties (Chung, 2012). This opportunistic behaviour element underlying the use of coercive power, can result in lower levels of trust, commitment and transparency among parties. Therefore, when the exercise of coercive power leads to the weakening of relational bonds, as well as the fear of opportunism and a decline in information sharing, parties are more inclined to be suspicious of their partners. Accordingly, the current study proposes the following:

H40: There is a relationship between coercive power and suspicion

6.3.9 Dependence and symptoms of dark side behaviour

Dependence within a business-to-business relationship indicates that a firm requires a contribution from, or interaction with, a partner organisation in order to achieve certain goals (Frazier *et al.*, 1983). Jarratt and Morrison (2003) suggest that dependence can be mutual (symmetric), powerful (high in magnitude), or vulnerable (easy to replace). Although dependence has been regarded as a position to avoid in interfirm partnerships as it may impact negatively on satisfaction, other studies (e.g. McCarter & Northcraft, 2007; Jiang *et al.*, 2010) have reported positive associations such as technology access, information flow and cost savings. Johnson (1999) asserts that, even though dependence provides a platform for collaboration, it does not necessarily follow. The aforementioned author maintains that “a firm’s deliberate choice to work within what could be considered a negative structural constraint (i.e. dependence) may generate positive consequences” (Johnson, 1999:6). However, these seemingly positive outcomes that stem from dependence can, over time, result in other detrimental relationship behaviours, which might negatively influence the functionality, desirability and efficiency of business partnerships. The current study, therefore, explores the association between dependence and various symptoms of dark side behaviour.

Dependence and relational myopia

Many studies (e.g. Jarratt & Morrison, 2003; Zhang & Huo, 2013; Jiang *et al.*, 2012; Scheer, Miao & Palmatier, 2015; Schmitz *et al.*, 2016; Gelderman & Van Weele, 2004) have explored the influence of dependence on positive relational drivers and relationship dynamics. For example, Jiang *et al.* (2012) found that there is a positive relationship between dependence and trust. They infer that business partners might encourage one another to develop relational norms in order to strengthen and enhance the investment in the relationship (Jiang *et al.*, 2012). Thus, high levels of dependence may also signify a highly cooperative relationship with little need for opportunism. MacKenzie (1996) claim that when a relationship is characterised by high levels of dependence, trust can be enhanced as dependent parties will not want risky actions to jeopardise their relationship.

Jiang *et al.* (2012) also found that there is a positive relationship between dependence and several pivotal constructs linked to relationship quality, namely commitment, communication, satisfaction and long-term orientation. Because of these “good feelings” generated through dependence, firms may become excessively reliant and overconfident with regards to their partnership with a particular party. Subsequently, due to this intense bond between parties, firms may adopt a myopic perspective regarding their relationship, how it is governed as well as the environment in which it operates. Furthermore, several authors (e.g. Cox, Lonsdale, Watson & Qiao, 2003; Lonsdale, 2001; Narasimhan, Nair, Griffith, Arlbjorn & Bendoly, 2009; Harrison, Beatty, Reynolds & Noble, 2012) use the term “lock-in situation” parallel to dependence, as the former often describe a heavy degree of dependence in which a partner has no alternative but to maintain the relationship presently employed. In other words, when one party is heavily dependent upon another, they might become locked in their relationship (Narasimhan *et al.*, 2009). Consequently, Baker (2009) infers that a state of lock-in can also cause parties to adopt a myopic perspective with regards to their relationship and its environment. Based on the abovementioned literature, the current study proposes the following hypothesis:

H41: There is a relationship between dependence and relational myopia

Dependence and complacency

Schmitz *et al.* (2016) claim that specific forms of dependence, the intensity of dependence, and lock-in can affect the relationship between business partners. Barnes, Naudé and Michell (2005) refer to the increase in information exchange and sharing of resources, while others emphasise mutual adaptations (Heide & John, 1990), higher relational satisfaction (Andaleeb, 1992), and

increased relational performance (Buchanan, 1992) as positive outcomes of dependence within business relationships. However, some who explored the negative connotations of dependence in partnerships found that it can potentially result in the loss of strategic flexibility, an imbalance of power among parties, as well as the increased risk of opportunism (Cox *et al.*, 2003; Harrison *et al.*, 2012; Schmitz *et al.*, 2016). Because complacency usually occurs due to overconfidence and satisfaction stemming from excessive trust in current procedures and relationships (that have proven to be successful in the past), it is possible that dependence can cause a complacent culture within a partnership (Baker, 2009). Dependence can potentially increase the level of communication, information sharing, satisfaction, trust and commitment in a relationship, which in turn can cause the onset of complacency, so that parties may not see the need to consider alternatives. Because dependence can lead to a lack of strategic flexibility (Schmitz *et al.*, 2016) as well as “lock-in situations” (Narasimhan *et al.*, 2009), it is possible that the relationship may become governed by a complacent culture that lacks the initiative to explore new ways of doing business. Accordingly, the current proposes the following hypothesis:

H42: There is a relationship between dependence and complacency

Dependence and vulnerability

Vulnerability has been defined as the gap between the perceived dependence and the level of trust between partners within a relationship (Svensson, 2004). More specifically, vulnerability within business relationships can be influenced by the degree to which parties are dependent on one another, as well as how much they trust each other to act accordingly and make mutually beneficial decisions (Svensson, 2002). According to several authors (e.g. Hillman *et al.*, 2009; Johnsen & Lacoste, 2016; Schmitz *et al.*, 2016; Harrison *et al.*, 2012), heavy dependence within a relationship can signify that parties are excessively dependent on each other or the partnership, which can ultimately make them more vulnerable to possible opportunistic behaviour – especially when dependence is non-symmetric and one party has more power. In other words, when a relationship is characterised by high levels of dependence, firms may rely too much on their partners for goal achievement, making highly dependent parties more vulnerable to opportunistic behaviour from their less dependent counterpart (Johnsen & Lacoste, 2016; Svensson, 2002). Thus, the current study hypothesises the following:

H43: There is a relationship between dependence and vulnerability

Dependence and suspicion

Partnerships are often considered ubiquitously opportunistic (Weide & Heide, 2000), which implies that suspicion is, and always will be, a part the business-to-business relationships (Baker, 2009). Jap (2001) suggests that the mere suspicion that a partner might be acting opportunistically is sufficient enough to damage – even destroy – the relationship and to drive firms to pursue their self-interest out of defence. Several authors (e.g. Joshi & Arnold, 1997; Provan & Skinner, 1989; Dong, Liu, Yu & Zhneg, 2015; Mysen *et al.*, 2011; Hawkins *et al.*, 2008) acknowledge that when a relationship is characterised by heavy dependence, parties are more likely to foster opportunistic intentions and agendas. Thus, when the less dependent party acts seemingly opportunistically, and the level of trust between firms is not satisfactory (Svensson, 2004), it is possible that heavy dependence can result in the more dependent party becoming suspicious of the former's behaviour and intentions. Accordingly, the current study proposes the following hypothesis:

H44: There is a relationship between dependence and suspicion

6.3.10 Commitment and symptoms of dark side behaviour

In deriving their definition of commitment, Morgan and Hunt (1994) drew from a variety of disciplines such as social exchange, marriage and organisational behaviour. These authors defined commitment as an exchange partner's belief that an ongoing relationship with another is so important that it warrants maximum effort to maintain. In other words, committed parties are more inclined to believe their relationship is worth working on to ensure that it endures indefinitely (Morgan & Hunt, 1994). Furthermore, Leik and Leik (1977) refer to commitment as the unwillingness to consider partners other than those in the current relationship. This aforementioned definition is consistent with that of Gundlach *et al.* (1995) who define commitment as the forsaking of alternative options.

Commitment is often perceived as essential for achieving or obtaining positive outcomes within business relationships (Morgan & Hunt, 1994). In order to ensure the realisation of these beneficial outcomes, firms often focus on maintaining and fostering commitment within their partnerships, especially as it is considered one of the key ingredients of successful long-term relationships (Dwyer *et al.*, 1987; Garbarino & Johnson, 1999). Although the majority of studies that focus on interfirm commitment include positive connotations, some researchers (e.g. Anderson & Jap, 2005; Abosag *et al.*, 2016; Baker, 2009) have recently started to examine

a potential dark side of commitment. Picking up on this later development, the current study explores the association between commitment and possible symptoms of dark side behaviour that can ultimately harm the partnership.

Commitment and relational myopia

Commitment is often associated with various positive relational outcomes (Dwyer *et al.*, 1987; Garbarino & Johnson, 1999; Morgan & Hunt, 1994). However, Baker (2009) found that excessive levels of commitment can result in partners adopting a too narrow perspective regarding the relationship and how it should be managed. In other words, firms may become so overly committed to each other that their focus becomes “narrowed” due to the good feelings between them (Anderson & Jap, 2005; Baker, 2009). These good feelings about the relationship and the involved partner may be misinterpreted because of the relationship yielding positive benefits and performance outcomes (Baker, 2009). This is consistent with the behavioural theory of the firm as it suggests that positive outcomes can reinforce certain behaviours despite the availability of better options (Ginsberg & Baum, 1994). Hence, firms may become myopic over time, as they might confuse these good feelings for success, or current success for future success. In addition, as firms become more focused on the relationship, they might start to neglect the monitoring of their environments (Baker, 2009). In other words, as a relationship progresses over time and parties realise efficiencies and measures of success, the resulting confidence in their relationship might discourage parties from seeking alternatives. Weiner (1982) suggests that highly committed firms will show persistence in their relational obligations without regard for environmental and other relational cues that may indicate a change of perspective. Thus, when firms are committed to their relationship obligations, but refuse to monitor the dynamics surrounding those obligations, it is possible that they have adopted a myopic view concerning their partnership. Accordingly, the current study proposes the following:

H45: There is a relationship between commitment and relational myopia

Commitment and complacency

Similar to the case of relational myopia, the good feelings and positive reinforcement that often accompany commitment within relationships might be misinterpreted by parties and, consequently, discourage them from being more vigilant and considering alternatives (Baker,

2009). This might be especially true if business partners have enjoyed some measure of success earlier on in their relationship, as they might believe this success to always be a given (Chowdhury & Lang, 1996; Hagen, 1999; Bergquist, 2006). Consequently, parties might perceive the idea of monitoring the specifics of the relationship, or its environment, as counterintuitive and even a waste of time (Baker, 2009). This inaction can effectively lock firms into a relationship that should potentially be terminated or refined in some way to serve partners better (Baker, 2009). However, commitment to the relationship and its dynamics can keep firms from taking the necessary steps to change the dimensions of their partnership (Haytko, 2004).

Furthermore, complacency stems from the inability to recognise the need for action (Baker, 2009). Tan and Akhtar (1998) indirectly support the association between commitment and complacency, as they found that high levels of commitment can lead to mental exhaustion or “burnout” in an employer-employee context. Extrapolating these findings to a business-to-business context, it is possible to infer that high levels of commitment can lead to the firm-level equivalent of relational burnout or exhaustion, which may subsequently result in the onset of complacency (Baker, 2009). In contrast, it is also possible that high levels of commitment can motivate parties to maintain and develop their relationship by ensuring they remain innovative, as well as perceptive to changes in their environment (Ng, Feldman & Lam, 2010; Heavey Simsek & Fox, 2015). Thus, the current study proposes the following hypothesis:

H46: There is a relationship between commitment and complacency

Commitment and vulnerability

When firms allow themselves to become committed to their partners, they may potentially be creating a situation that allows for the onset vulnerability (Baker, 2009). Halinen and Tahtinen’s (2002) process theory of relationship ending offers possible insight into the appearance of vulnerability in business relationships. More specifically, these authors explain that predisposing factors may already exist when firms enter into a business partnership, which makes it more vulnerable to breakdown (Halinen & Tahtinen, 2002). In other words, there might have been issues pertaining the structure or foundation of the relationship prior to its inception, that may ultimately result in its failure. Halinen and Tahtinen (2002) also suggest that precipitating events, which may change how a relationship is structured, can also lead to relationship dissolution. Thus, the process theory of relationship ending emphasises the likelihood of predisposing factors or precipitating events causing damage to business relationships. Based on this framework, it is clear to see how parties engaged in otherwise

functioning business relationships, characterised by trust and commitment, may all of a sudden become vulnerable to the actions of partners in a way they had previously not realised (Baker, 2009).

Several studies have investigated the link between commitment and vulnerability. For example, Mesner and Stebe (2004) found that increased feelings of insecurity, or vulnerability, can negatively influence a party's commitment towards their relationship. These feelings might result due to predisposing factors that were triggered due to a sort of disturbance (Svensson, 2002; Hakansson & Tahtinen, 2002) which, despite the good intentions of partners, may still lead to the onset of vulnerability. Other authors (e.g. Lacey, 2007; Morgan & Hunt, 1994; Wong & Sohal, 2002) conceptualised commitment as encompassing vulnerability, which suggests that when firms choose to commit to one another they accept the vulnerability that originate from being in the relationship. Firms that are committed to their partners often forfeit alternative options (Fullerton, 2003), with the resulting exclusivity thus binding partners tightly together (Baker, 2009). Consequently, parties may start to feel increasingly vulnerable, as they have effectively cut themselves off from other market opportunities (Baker, 2009). In other words, when partnering firms form close ties, and start to share their information and resources, they might be more vulnerable to opportunistic behaviour from their partner. However, Wong, Chan & Leung (2008) found that lower levels of commitment can also result in increased vulnerability. Firms may not feel confident in their partner's desire to continue the relationship, nor trust them to act with integrity and according to contractual agreements. Therefore, based on the abovementioned literature, the current study proposes the following:

H47: There is a relationship between commitment and vulnerability

Commitment and suspicion

Similar to the association between commitment and vulnerability, the crux of the relationship between commitment and suspicion resides in the increased integration between parties (Svensson, 2004). When a relationship is characterised by high levels of integration between parties, firms are generally more vulnerable to opportunistic behaviour from their partners (Abosag *et al.*, 2016). Baker (2009) maintains that when firms find themselves overly exposed due to an excessively committed relationship, they may be hypersensitive to any changes in relational dynamics. For example, if partners do not strictly abide by contractual agreements or meet relationship objectives accordingly, suspicion may surface between firms as they are more aware of their vulnerability (Baker, 2009). Thus, excessive levels of commitment can

potentially cause the onset of suspicion within a relationship. However, lower levels of commitment between parties can also result in suspicion as parties may be less trusting and more inclined to question their motivation underlying their actions and behaviour (Anderson & Jap, 2005; Abosag *et al.*, 2016). Accordingly, the current study proposes the following:

H48: There is a relationship between commitment and suspicion

6.4 CONCLUSION

This chapter explores several important theoretical underpinnings regarding the manifestation of dark side behaviour in interfirm relationships. Firstly, the linkage between antecedents and the occurrence of particular behavioural outcomes is investigated. Drawing from a wide range of literature (i.e. business-to-business, strategic management, organisational behaviour, relationship marketing, supply chain management, international business, etc.), several inherent relationship attributions (namely, shared values, trust, opportunistic behaviour, and uncertainty) were identified and examined due to their capacity to cause specific behavioural outcomes, which subsequently can affect relationship dynamics, as well as its longevity and directionality (Abosag *et al.*, 2016). Secondly, the association between these abovementioned outcomes and symptoms of dark side behaviour (e.g. relational myopia, complacency, vulnerability and suspicion) was also examined in order to provide a system for evaluating business relationships, thereby recognizing when partnerships have become inefficient and unfavourable. In conclusion, this chapter constitutes the theoretical foundation for the current study's framework (see Figure 1.1), by drawing from prevailing literature to explain the onset of dark side behaviour in business-to-business relationships.

CHAPTER 7: RESEARCH METHODOLOGY

7.1 INTRODUCTION

The current study explores two sets of simultaneous associations pertaining to the so-called dark side of business relationships. The first set of associations concern the relationship between potential antecedents (trust, shared values, opportunistic behaviour and uncertainty) and behavioural outcomes (conflict, power, dependence and commitment) of the dark side of business relationships. The second set of associations considers the relations between the aforementioned behaviours and symptoms (relational myopia, complacency, vulnerability and suspicion) of dark side behaviour. In order to test the conceptual model, data was collected from account managers and other middle to top level managers from organisations across various industries in South Africa. Many studies in the field of business-to-business research (e.g. Shin *et al.*, 2000; Guenzi, Pardo & Georges, 2007; Guesalaga, 2014) have identified these targeted individuals as ideal respondents, due to their experience and expertise in the direct management and development of business relationships. However, because of the known difficulty with the availability and accessibility of this population, the sample is restricted (Hair *et al.*, 2019). Therefore, although a sample calculator (Soper, 2015) was used to calculate the recommended sample needed to test the conceptual model, Tabachnick and Fidell's (1996) rule of thumb is adopted as it supports a more realistic approach to business-to-business samples. Furthermore, a hard copy survey was selected as the key measurement instrument to gather data from respondents, and data was analysed using SPSS and SmartPLS software. In this chapter, the research question is first discussed by referring specifically to the research objectives of the current study. Next, the research method is addressed with emphasis on the sampling plan and the development of the measurement instrument. Lastly, in the data analysis section, the data analysis plan for the study will be explained along with the procedures and considerations pertaining to the descriptive and inferential analyses.

7.2 RESEARCH QUESTION

Companies often spend a significant amount of time and effort to build and maintain business relationships that offer valuable relational benefits. These efforts usually generate positive outcomes in the form of increased trust, greater commitment, as well as enhanced cooperation among parties (Abosag *et al.*, 2016). In addition, these positive outcomes often encourage business partners to develop reciprocal norms that improve relationship value creation through

continuous learning, interaction and the promotion of psychological closeness and reciprocity (Abosag *et al.*, 2016; De Wulf *et al.*, 2001). It is because of this positive perception of inter-organisational partnerships that existing management literature focus predominantly on the “bright side” of business-to-business relationships. However, in recent years, several studies (e.g. Anderson & Jap, 2005; Barners, 2005; Fang, Chang & Peng, 2011; Abosag *et al.*, 2016; Villena, Revilla & Choi, 2011) have identified that, beneath the surface of assuming positive relationships, a natural occurring negative side resides. Correspondingly, Abosag *et al.* (2016) concluded that in order to ensure relationship success, it is not enough to only invest in positive relational attributes, but that there is increasing value in parties safeguarding themselves against negative perceptions, actions and behaviours. Baumeister *et al.* (2001) also suggested that the conscious management of negative impacts regarding the dark side can have a greater influence on business relationships, than when merely focusing on the development of positive relationships. In other words, a better understanding of the phenomenon of dark side behaviour in business relationships can assist companies in developing better relationships with partners, as well as protecting themselves against opportunistic behaviour (Abosag *et al.*, 2016).

Therefore, the current study investigates the onset of dark side behaviour in business-to-business relationships – specifically, how, why and when it appears, along with what causes it to arise. Based on the aforementioned description of the research problem, the primary objectives for this study include the following:

- To investigate whether a relationship exists between antecedents of dark side behaviour (trust, shared values, opportunistic behaviour and uncertainty) and consequential behavioural outcomes (functional and dysfunctional conflict, coercive and non-coercive power, dependence and commitment).
- To investigate whether a relationship exists between behavioural outcomes (functional and dysfunctional conflict, coercive and non-coercive power, dependence and commitment) and symptoms of dark side behaviour (relational myopia, complacency, vulnerability and suspicion).

7.3 RESEARCH METHOD

There are three primary research methodologies that were considered during the research design of the current study, namely quantitative, qualitative and a mixed methods approach.

Quantitative research methods refer to methods in which numbers are used to explain findings (Kowalczyk, 2016). The research procedures entail experiments and quasi-experiments, with

the collection of the data being statistical based (Creswell, 2003; Maxwell & Delaney, 2017). Hennink, Hutter and Bailey (2020) explains that the general purpose of quantitative research is to explain, predict or investigate relationships, describe current conditions, and examine possible impacts on specified outcomes. The advantages of quantitative research methods include (Creswell & Poth, 2016): (1) drawing conclusions from a large sample, (2) the employment of efficient data analysis, (3) the examination of probable cause and effect, and (4) controlled bias. Limitations of quantitative research are that it is impersonal, there is limited understanding of the context of participates, and it is largely research driven (Creswell & Poth, 2016).

In contrast to quantitative research methods, qualitative research methods employ descriptive procedures to generate meaning and understanding of the phenomenon being studied (Creswell, 2003). In this research method, the researcher may be a part of the research instruments. For example, in social sciences the researcher would actively interact with the people they are studying. Open ended questions are used, rather than closed ended in quantitative methods. According to Creswell (2003:9) “qualitative research is largely inductive, with the inquirer generating meaning from the data collected in the field”. This method can be employed if the researcher is not certain of which variables to control (Creswell, 2003). Thus, qualitative research methods may be useful in cases where the researcher wishes to gather a general idea from the subjects, the goal being to explore, interpret and describe a situation.

A mixed method approach combines both quantitative and qualitative methods in order to get a full understanding of the phenomenon under study (Maxwell & Delaney, 2004). Thus, a mixed research method usually results in profounder research due to its “methodological pluralism or eclecticism” (Johnson et al., 2016:14). Creswell and Poth (2016) opines that mixed research methods are quite new and still developing in the sphere of social sciences, and usually involves combining both statistical trends and stories to study human and social problems.

The current study employs quantitative research methods to investigate the impact of dark side behaviour in business-to-business relationships. Quantitative measures were employed to examine this phenomenon because of its formal, objective and systematic nature regarding the usage of numerical data to test theory-based conceptual models (Burns & Groves, 2005). Thus, composite quantitative measures are used to measure latent variables in the conceptual model, explore relationships between variables, and determine the interactions between variables (Zikmund *et al.*, 2013). This section first addresses the sampling plan followed to identify the target population and sample frame, evaluate sampling methods, as well as calculate the appropriate sample size for the study. The development of measurement approach is then

discussed in terms of the measurement instrument employed to collect data, the items used to measure the constructs of interest, and the distribution method of the selected instrument.

7.3.1 Sampling

This section focuses on the sampling plan for the current study, and discusses the population, sample frame, sampling method and sample size. Figure 7.1 offers a brief summary of these aspects of sampling components.

Figure 7.1 Summary of sampling plan

Population	Sample frame	Sampling method	Sample size
<input type="checkbox"/> Individuals, or groups, responsible for managing a firm's relationships with business partners (e.g. suppliers, customers or buyers, service providers, collaborators, etc.)	<input type="checkbox"/> Account managers and other individuals in middle to top management positions responsible for managing business relationships <input type="checkbox"/> Non-industry-specific focus <input type="checkbox"/> South African context	<input type="checkbox"/> Non-probability sampling <input type="checkbox"/> Sampling technique <ul style="list-style-type: none"> ▪ Convenience sampling ▪ Judgement sampling ▪ Snowball sampling 	<input type="checkbox"/> 200-400 respondents

Population

The population comprises of individuals, or groups, in managerial positions that are responsible for managing a firm's relationships with business partners such as suppliers, customers and buyers, service providers, collaborators, or any other organisation they might do business with. Therefore, the population can be described as all business-to-business partnerships in the economy. As the current study focuses on the onset of dark side behaviour in business-to-business relationships, the target population therefore involves respondents who understand and possess relevant expertise and experience, to answer questions regarding the dynamics pertaining problematic business relationships.

Sample frame

The sample frame for this study primarily includes key account managers as they are directly involved in the development and maintenance of business relationships with partner organisations; as they are also responsible for connecting business executives and various stakeholders; and for reporting on the success of partnerships (Georges & Eggert., 2003).

Several authors (e.g. Shin *et al.*, 2000; Baker, 2009; Walter, Ritter & Gemünden, 2001) suggest that when conducting research in a business-to-business context, account managers are often in the best position to provide information concerning interfirm relationships because of their experience and knowledge in relationship and network management. However, other middle to top managers were also included in the sample frame, as Gregory, Harris, Armenakis and Shook (2009) suggest that these individuals can also provide relevant information regarding the dynamics of business relationships between firms. Furthermore, all respondents came from organisations located in South Africa, and no specific industry was examined. As the population of business-to-business research usually restricts the sample (Hair *et al.*, 2019), geographically convenient and no-industry-specific respondents were selected to participate in this study in order to ensure maximum accessibility.

Sampling method

Sampling methods are generally employed as it allows researchers to make an inference about a population based on results generated from a subset (or sample) without having to investigate every individual in the representative population (Zikmund *et al.*, 2013). There are several different sampling techniques available, which can be categorised in two groups: probability sampling and non-probability sampling. The current study adopts non-probability sampling methods as these are less expensive and increase the accessibility to respondents (Zikmund *et al.*, 2013). Three non-probability sampling techniques were used to collect data from respondents, namely convenience sampling, judgement sampling, and snowball sampling. First, convenience sampling was employed where respondents were selected based on their availability and willingness to partake in the research (Creswell & Creswell, 2018). Secondly, judgement sampling was also used as this study required the researcher to use judgement in selecting who to ask to participate (Honigmann, 2003). For example, previously identified, or acquainted, key account managers or business executives were contacted and specifically asked to take part in the research. Lastly, snowball sampling, which is commonly used in social sciences when investigating hard-to-reach groups, was adopted and respondents were asked to further nominate other appropriate subjects known to them (Zikmund *et al.*, 2013).

Sample size

Barlett, Kotrlik, Higgins and Williams (2001) claim that a major advantage of quantitative research lies in its ability to use smaller groups of respondents to make inferences about larger

groups that would be expensive to investigate. Hence, for the purpose of the current study, an adequate sample size was calculated using an online A-priori sample size calculator for structural equation models (Soper, 2015). This calculator uses the number of observed and latent variables in a model, the anticipated effect size, and the desired probability and statistical power, to determine the sample size required for a study that employs structural equation modelling (Soper, 2015). As result, the calculator generates both the minimum sample size required to detect the specific effect, as well as the minimum sample size required given the structural complexity of the model (Soper, 2015). This SEM calculator was used to generate the required sample size for the current study with an anticipated effect size of 0.1, a desired statistical power level of 0.8, an amount of 14 latent variables and 53 observed variables, as well as a probability level of 0.05.

After calculation, three results where produced:

- a minimum sample size of 2219 needed to detect an effect,
- a minimum sample size of 114 needed for model structure,
- and a recommended minimum sample size of 2219.

However, it would have been difficult to obtain this number of respondents due to the systematic limitations of the research, personal limitations of the researcher, and the restrictive nature of the target population. Therefore, Tabachnick and Fidell's (1996) rule of thumb was adopted for the current study, which suggests that business-to-business research should entail a more realistic sample size of 200 to 400 respondents.

7.3.2 Measurement development

The following section discusses the measurement instrument used to collect data, the development of measurement items, as well as the method of distribution of the instrument. For the current study, paper-based questionnaires (see Appendix A) were used to gather data from respondents, and scale items included in the questionnaire were adopted from previous research.

Measurement instrument

In survey research, questionnaires are often perceived as the main instrument for collecting data. Several authors (e.g. Zikmund *et al.*, 2013; Flowerdew & Martin, 2005; Trobia, 2018) claim that questionnaires can be inexpensive, practical and simple to administrate, and can

reach a large sample – which is especially beneficial in business-to-business research where the nature of the population often restricts the sample. In the case of the current study's target population, the sample is restricted as it is often difficult to obtain access to respondents in managerial and executive positions. The respondents' willingness to participate in scientific research also contributes to the restrictive nature of the sample, as many managers and executives often do not have the time or need to participate.

Zikmund et al. (2013) also infer that questionnaires are often relatively easy and straightforward to analyse due to the quantitative nature of survey research. Furthermore, the questionnaire used in this study employs two types of questions, namely open-ended and close-ended (or fixed alternative) questions. Open-ended questions are more suitable when detailed answers are warranted, and respondents are expected to answer to their own account (Trobias, 2018). In the questionnaire employed in this study, open-ended questions are mostly used to collect demographic information. Closed-ended questions, on the other hand, allow almost immediate statistical treatment and were therefore used to measure scale items concerning model constructs. Consistent with the recommendation of Zikmund et al. (2013) and Trobias (2018), the measurement items were formulated as statements, requiring respondents to indicate their level of agreement based on a 7-point Likert scale. This scale was anchored at 1 = strongly disagree, and 7 = strongly agree.

Measurement items

The measurement items used in the current study were adopted from existing literature. First, most questions pertaining demographic information were adopted from a study by Zaefarian et al. (2017), which focuses on firm and respondent characteristics. Questions regarding firm characteristics included the number of employees and company age, respondent characteristics focus on the respondent's years with the organisation, their position within the company, as well as how many years they have been employed in their current position (Zaefarian *et al.*, 2017). Additionally, respondents were also asked to think of a particular business relationship that has been problematic in the past, or is currently problematic, and to answer relevant questions. These items focused on the main reasons for problems in their business relationships, as well as what type of business partner (e.g. supplier, customer or buyer, service provider, collaborator, etc.) they considered to be most problematic. Secondly, scale items regarding model constructs were selected based on the results obtained in their respective studies, with the primary focus being their performance in exploratory and confirmatory factor analysis, as

well as values pertaining Cronbach's alpha and composite reliability. All the scale items included in the questionnaire obtained satisfactory Cronbach's alpha and composite reliability scores in the studies they were sourced from. Table 7.1 provides a summary of the measurement items included in the questionnaire (see Appendix A).

Table 7.1 Questionnaire items

Construct	Number of items	Sources
Antecedents of dark side behaviour		
Trust	4	Ulaga & Eggert (2006)
Shared values	4	Kashyap & Sivadas (2012)
Opportunistic behaviour	4	Wong, Tjosvold & Yu (2005)
Uncertainty	4	Lai, Tian & Huo (2012); Kwon & Suh (2004)
Behavioural outcomes of dark side behaviour		
Functional conflict	3	Tang, Fu & Xie (2017)
Dysfunctional conflict	4	Pfajfar <i>et al.</i> (2017)
Non-coercive power	4	Jain, Khalil, Johnston & Cheng (2014)
Coercive power	4	Jain, Khalil, Johnston & Cheng (2014)
Dependence	3	Mysen, Svensson & Payan (2011)
Commitment	4	Ulaga & Eggert (2006)
Symptoms of dark side behaviour		
Relational myopia	3	Baker (2009)
Complacency	4	Baker (2009)
Vulnerability	3	Baker (2009)
Suspicion	5	Baker (2009)

Method of distribution

Paper-based questionnaires have traditionally been the first choice for data collection in survey research (Ebert, Huibers, Christensen & Christensen, 2018). However, due to declining response rates over the past decade, the risk of selection bias in cross-sectional studies have increased (Ebert *et al.*, 2018). The growing use of the internet offers new ways of gathering data, but trials using web-based questionnaires have so far produced mixed results (Ebert *et al.*, 2018). For the purpose of the current study, it was decided that only paper-based questionnaires would be used to collect data. This decision was made based on the nature of the target population and their preferred manner of response. Ebert *et al.* (2018) support the usage of paper-based questionnaires, as their research suggests that, even though web-based questionnaires are more cost-effective, paper-based questionnaires (in some cases) still obtain higher response rates, and also possess less missing values.

Social desirability bias

Researchers using questionnaires and interviews rely on truthful responses from participants to draw meaningful conclusions. Socially desirable responding (SDR) is the tendency for participants to present a favourable image of themselves (Johnson, Fendrich & Hubbell, 2002). The participant may believe the information they report (i.e., self-deception), or may ‘fake good’ to conform to socially acceptable values, avoid criticism, or gain social approval (King & Bruner, 2000; Van de Mortel, 2008). Social desirability response bias can affect the validity of a questionnaire (Huang et al., 1998). Psychologists have developed and validated scales to detect SDR – for example, the 33-item Marlowe-Crowne Social Desirability Scale (MCSDS) (Van de Mortel, 2008). However, according to Edens et al. (2001:249) there is no “categorical standard for differentiating between socially desirable and non-socially desirable responding”. For the purpose of the current study, social desirability bias was addressed by ensuring respondents that their answers will remain anonymous in hope that it will encourage truthful responding (Krumpal, 2013). Although, no scales were implemented to detect social desirability, a 7-point Likert scale was used to measure the degree to what participants agree with provided statements. Revzina (2008) argue that a 7-point Likert scale can provide a better understanding of how participants answer, as well as provide them with more options for responding to a question - without forcing to either agree or disagree with a statement.

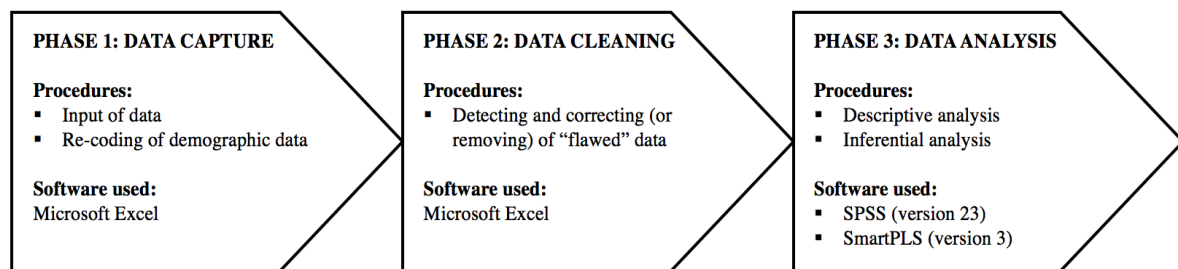
7.4 DATA ANALYSIS

In the following section, the data analysis for the current study will be discussed in terms of (1) the data analysis plan to be executed after questionnaires have been collected from respondents, (2) the descriptive analysis and (3) the inferential analysis. The data analysis plan comprises of three phases, namely data capture, data cleaning and data analysis. After responses were inputted and the dataset cleaned of any errors, the data was analysed in order to derive descriptive and inferential statistics. SPSS software was used to generate descriptive statistics to describe respondent characteristics – namely, central tendency, distribution and dispersion. Additionally, scores pertaining the frequency of each item of the measurement instrument were also obtained during the descriptive analysis, along with the results pertaining tests for normality. After the descriptive analysis, SmartPLS was used to generate the inferential statistics require to assess the measurement and structural models.

7.4.1 Data analysis plan

The data analysis plan for the current study comprises of three phases, namely data capture, data cleaning and data analysis. Figure 7.2 briefly depicts the data analysis plan by summarising the three abovementioned phases from the initial retrieval of questionnaires to the analytical procedures undertaken to obtain statistical results.

Figure 7.2 Data analysis plan



7.4.1.1 Data capture and cleaning

After questionnaires were retrieved, responses were first captured on a Microsoft Excel spreadsheet. Demographic information that entailed open-ended questions concerning firm and respondent characteristics were re-coded in order to transform the data into numeric values. Once the capturing of data was complete, the accuracy of the recoding was checked by a third party, and no errors were found.

Furthermore, after questionnaire responses was captured and re-coded, the data was cleaned in Microsoft Excel. Data cleaning refers to the process of deleting and correcting (or removing) corrupt or inaccurate records from a record set, table or database (Dasu & Johnson, 2003). Hence, data cleaning usually entails the identification of incomplete, incorrect, inaccurate or irrelevant parts of data, which is then replaced, modified or deleted (Dasu & Johnson, 2003). In this phase, the dataset was screened for missing values and errors, and unsatisfactory (incomplete) responses were consequently removed. However, responses that contained only one or two missing values were retained. The selected data analysis tools (SPSS and SmartPLS) allow researchers to treat missing values through several options. For the current study, missing values were replaced with extreme outlying values (i.e. 99999) as suggested by Hair et al. (2017).

7.4.1.2 Data analysis

After the dataset was captured and cleaned, the error-free data was imported to selected software platforms for data analyses. Descriptive statistics were obtained through the use of statistical package for the social science (SPSS) software (see IBM, 2009), while PLS-SEM software (see Hair *et al.*, 2019; Ringle, Wende & Becker, 2015) was employed to conduct inferential analyses.

Statistical Package for the social sciences (SPSS)

The dataset containing the cleaned and re-coded data was imported to SPSS software (version 23) for conducting the descriptive analysis, and the relevant statistics were generated. SPSS is used by researchers from various disciplines for complex statistical data analysis and data management (IBM, 2009). Field (2013) commented that SPSS is a comparably “easy-to-handle” statistics program that provides commonly used procedures for complex statistical data – especially the processing and analysing of survey data. A manifold of statistical methods exist that can be leveraged in SPSS, which makes it attractive and preferable for quantitative research (Field, 2013). However, several researchers argue that the potential for using SPSS as an analytical tool has become more extensive over the past years (e.g. Field, 2013; Bronstad & Hemmesch, 2010; Charry, Coussement, Demoulin & Heuvinck, 2016; Trif & Bacali, 2011). The current study primarily employed SPSS to obtain descriptive statistics regarding the demographic characteristics of the sample, as well as frequencies for measurement items. Furthermore, as the current study adopted a structural equation modelling approach, relevant PLS-SEM software was used for further inferential analytical procedures.

Partial least squares structural equation modelling (PLS-SEM)

In recent years, PLS-SEM has increasingly been applied to various social science disciplines, including marketing management (Hair *et al.*, 2017), strategic management (Hair *et al.*, 2012), organisational management (Sosik *et al.*, 2009), hospitality management (Nitzl, 2016) and supply chain management (Kaufmann & Gaeckler, 2015). According to Hair *et al.* (2019), the PLS-SEM method is very appealing to many researchers as it enables them to estimate complex models with many constructs, indicator variables and structural paths, without imposing distributional assumptions on the data. More importantly, PLS-SEM is a causal-predictive approach to structural equation modelling that emphasises prediction in estimating statistical

models with structures designed to provide causal explanations (Sarstedt *et al.*, 2017; Hair *et al.*, 2019). Therefore, the PLS-SEM method overcomes the apparent dichotomy between explanation – as usually emphasised in academic research – and prediction, which is the basis for developing managerial implications (Hair *et al.*, 2019). Furthermore, the use of PLS-SEM for the current study is supported by several considerations as recommended by Hair *et al.* (2019). These authors suggest that researchers should employ PLS-SEM methods when:

- (1) the analysis is concerned with testing a theoretical framework
- (2) the structural model is complex and includes many constructs, indicators or model relationships,
- (3) the research objective is to better understand increasing complexity by exploring theoretical extensions of established theories (exploratory research for theory development)
- (4) a small population restricts the sample size (e.g. business-to-business research)
- (5) distribution issues are of concern (such as lack of normality)
- (6) research requires latent variable scores for follow-up analyses (Hair *et al.*, 2019).

Thus, based on these considerations, PLS-SEM is an attractive and preferable analytical method for this research, especially as the current study entails a complex structural model, has a small population that restricts the sample, and has issues concerning the normality of data. Furthermore, to execute the PLS-SEM procedure, the software package SmartPLS (version 3) was used to analyse data (Hair *et al.*, 2019).

7.4.2 Descriptive analysis

According to Zikmund *et al.* (2013), the execution of descriptive analysis is an important first step when analysing data. Descriptive analysis offers a more detailed account of the data in terms of important characteristics and its distribution which, in turn, can help with the detection of outliers and input errors. The current study employed SPSS software to generate descriptive statistics, as well as results pertaining to tests for normality.

Descriptive statistics

A univariate analysis was employed in order to generate the descriptive statistics required to evaluate demographic data and the measurement items of constructs. The generated descriptive statistics were used to report on the three major characteristics concerning variables, namely

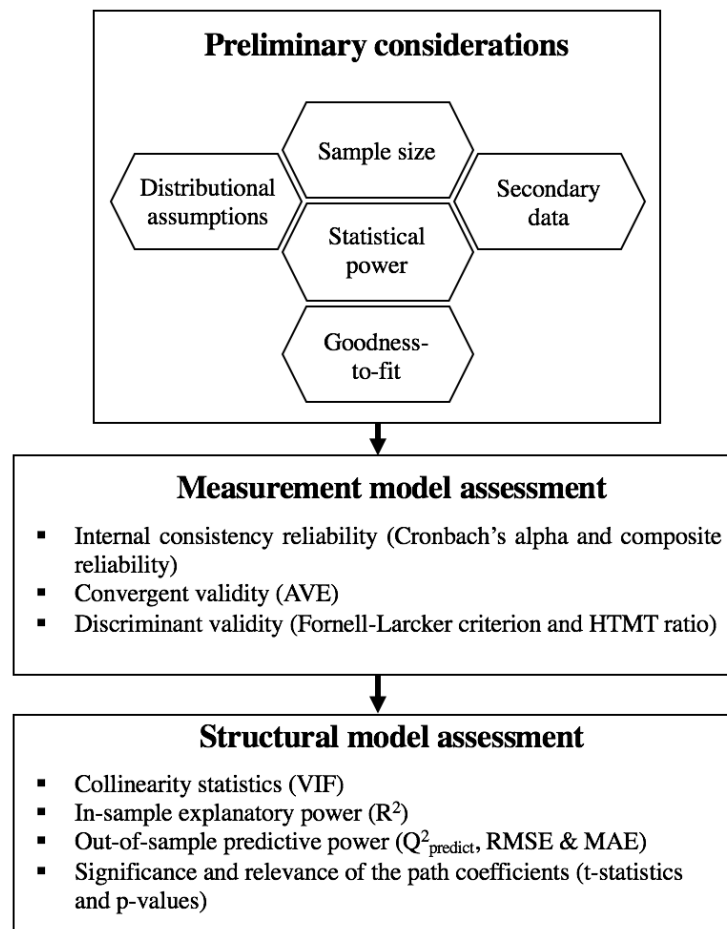
central tendency, dispersion, and distribution. First, the central tendency of data was evaluated, which included the examination of the mean, median, and mode (Zikmund *et al.*, 2013). Secondly, the dispersion of data, which refers to the spread of values around the central tendency, was assessed by examining standard deviation scores (Zikmund *et al.*, 2013). Lastly, in order to evaluate the distribution of data, the results pertaining skewness and kurtosis were assessed along with the frequencies of scale items (Zikmund *et al.*, 2013).

Normality

The current study also assessed the distributional normality, as it is a key criterion for various multi-variate analysis techniques (Zikmund *et al.*, 2013). The normality of data was assessed by evaluating the skewness of data, as well as kurtosis. Skewness measures the symmetry of data, while kurtosis is often used to evaluate the “peakedness” or “flatness” of a distribution (Zikmund *et al.*, 2013). Therefore, these statistics were used to determine the shape of the distribution, along with frequency tables generated in SPSS for each item of the measurement instrument. In addition, tests for normality (namely, Kolmogorov-Smirnov and Shapiro-Wilk) were generated in order to obtain statistics to further explain the distribution of data.

7.4.3 Inferential analysis

This section focuses on the inferential analysis followed in the current study to derive statistics required for the assessment of the measurement and structural models. Figure 7.3 depicts the aspects and statistics that were considered regarding the evaluation of the model. While the preliminary considerations were explored beforehand and included in the data plan (see section 6.4.1.2), this section specifically discusses the assessment of the measurement model and structural model, as well as the statistics used to evaluate various measures.

Figure 7.3 Aspects and statistics to consider in a PLS-SEM analysis

Source: Hair et al. (2019)

Measurement model

According to Hair et al. (2019), the first step in reflective model assessment involves examining the indicator loadings. It is recommended that loadings should exceed 0.708, as they indicate that, because the constructs explain more than 50% of the indicators' variance, this would provide acceptable item reliability (Hair *et al.*, 2019). During the initial PLS Algorithm run, several measurement items did not meet the benchmark of 0.708 and were removed to ensure satisfactory results were eventually obtained. These items are identified in the results chapter.

Furthermore, measurement reliability and validity were assessed through the evaluation of internal consistency reliability, convergent validity, and discriminant validity. Hair et al. (2019) suggest that the second step in assessing the measurement model should therefore be to assess internal consistency reliability, using composite reliability. Higher values usually indicate higher levels of reliability – for example, reliability values between 0.60 and 0.70 are

considered acceptable for exploratory research, while values between 0.70 and 0.90 range from satisfactory to good. However, values of 0.95 and higher may be problematic as it can signify that items are redundant, thus reducing construct reliability (Hair *et al.*, 2019). Additionally, Cronbach's alpha was another measure used to evaluate the internal consistency reliability of the measurement model. Although Cronbach's alpha assumes thresholds similar to that of composite reliability, it is a less predictive measure as items are unweighted, thus producing lower values (Hair *et al.*, 2019). Hair *et al.* (2019) argue that Cronbach's alpha may be too conservative, whereas the composite reliability may be too liberal. Hence, the current research assessed internal consistency reliability through the evaluation of both of these measures.

In order to evaluate the measurement model, the results pertaining to convergent validity of each construct was assessed. Convergent validity is the extent to which measurement items converge to explain the variance within a construct (Hair *et al.*, 2019). Average variance extracted (AVE) scores were assessed to evaluate convergent validity for the current measurement model. An acceptable AVE should be 0.50 or higher, which would indicate that the construct explains at least 50% of the variance of its items (Hair *et al.*, 2019).

The last step when evaluating the measurement model entailed an assessment of discriminant validity, which indicates the extent to which a construct is empirically distinct from other constructs in the model (Hair *et al.*, 2019). The current study employed two metrics to investigate discriminant validity, namely the Fornell-Larcker criterion and the Heterotrait-Monotrait (HTMT) ratio. Fornell and Larcker (1981) proposed the traditional metric and suggested that each construct's AVE should be compared to the squared inter-construct correlation (as a measure of shared variance) of that same construct and all other reflectively measured constructs in the structural model. Thus, results concerning the Fornell-Larcker criterion were checked to ensure that the shared variance for all model constructs are not higher than their AVEs (Hair *et al.*, 2019). Henseler *et al.* (2015) propose that the Heterotrait-Monotrait (HTMT) ratio also be used to assess discriminant validity. The HTMT ratio is defined as the mean value of the item correlations across constructs relative to the (geometric) mean of the average correlations for the items measuring the same construct (Hair *et al.*, 2019). Discriminant validity problems are present when HTMT values are high. Henseler *et al.* (2015) propose a threshold value of 0.9 for structural models with constructs that are conceptually very similar, and a lower, more conservative, threshold value of 0.85 for conceptually more distinct values.

Structural model

After the measurement model provided satisfactory results, the next step entailed the evaluation of PLS-SEM results required for the assessment of the structural model. Standard assessment criteria, as suggested by Hair et al. (2019), was followed. This considered the coefficient of determination (R^2) and the statistical significance and relevance of the path coefficients. In addition, the current study also assessed the model's out-of-sample predictive power by using the PLSpredict procedures (Shmueli *et al.*, 2016).

Structural model coefficients for the relationships between constructs are derived from estimating a series of regression equations. Before the structural relationships were assessed, collinearity was first examined in order to ensure that there is no bias regarding regression results (Hair *et al.*, 2019). The VIF values, calculated through the variable scores of the predictor constructs in a partial regression, were checked against a benchmark of 3 to warrant that the data does not suffer from collinearity issues (Hair *et al.*, 2019).

After the absence of collinearity was established and no relevant issues were apparent, the current study examined the R^2 value of the endogenous constructs. The coefficient of determination (R^2) measures the variance, which is explained in each of the endogenous constructs and is, therefore, a measure of the model's explanatory power (Shmueli & Koppius, 2011). Rigdon (2012) refers to R^2 as a measure of in-sample predictive power, which ranges from 0 to 1 – with higher values indicating a greater explanatory power. The results of R^2 were evaluated according a guideline that suggests that R^2 values of 0.75, 0.50 and 0.25 indicate substantial, moderate and weak explanatory power respectively (Hair *et al.*, 2019; Henseler *et al.*, 2009; Hair *et al.*, 2011). However, Hair et al. (2019) argues that acceptable R^2 values are based on the context of the study, and that, in some disciplines, an R^2 value of as low as 0.10 is considered satisfactory.

Although many researchers interpret the R^2 statistic as a measure of their model's predictive power, several authors (e.g. Hair *et al.*, 2019; Shmueli, 2010; Shmueli & Koppius, 2011) argue that R^2 only explains the model's in-sample explanatory power and not its out-of-sample predictive power. Hence, the current study employed a set of procedures for out-of-sample prediction, as suggested by Shmueli, Ray, Estrada & Chatla (2016), which entails the estimation of the model on an analysis sample, as well as the evaluation of its predictive performance on data other than the analysis sample (also called the holdout sample). The PLSpredict generated holdout sample-based predictions in PLS-SEM and was conducted in SmartPLS software. During the interpretation of PLSpredict results, the current study focused on examining the

model's key endogenous constructs. The Q^2_{predict} statistic was evaluated first, as recommended by Shmueli et al. (2019), in order to verify that predictions outperform the most naïve benchmark, which is defined by the indicator means from the analysis sample. Subsequent to the assessment of Q^2_{predict} values, the predictions statistics were examined, namely RMSE and MAE values (Hair *et al.*, 2019). These prediction statistics were also compared with a naïve benchmark which uses a linear regression model (LM) to generate predictions for the manifest variables by running a linear regression of each of the dependent construct's indicators on the indicators of the exogenous latent variables in the PLS path model (Hair *et al.*, 2019). Thus, the RMSE and MAE values were compared in order to establish the predictive power of the out-of-sample predictive power of the model.

After having substantiated the model's explanatory power and predictive power, the final step in assessing the structural model included the evaluation of statistical significance and relevance regarding path coefficients and specific indirect effects. As suggested by Hair et al. (2019), a bootstrapping procedure was executed in SmartPLS in order to obtain the statistics required to assess the current study's hypotheses. Hence, t-statistics and p-values were used to assess the relationships between constructs in the main model (Hair *et al.*, 2014), as well as to evaluate specific indirect effects that address the mediating effect of several constructs.

7.5 CONCLUSION

In conclusion, after data was collected from respondents, data capture and cleaning commenced and was ultimately analysed to derive important descriptive and inferential statistics. However, before the conceptual model could be tested, a sampling plan and measurement instrument needed to be developed. The sampling plan outlined the target population and sample frame, sampling methods, as well as the sample size. The measurement instrument for the current study, on the other hand, entailed a questionnaire survey, which comprised of open-ended and closed-ended questions. These questions were used to obtain demographic information from respondents, as well as measurement scale items pertaining model constructs. Furthermore, following the collection of data, the data was captured and cleaned, and prepared for data analysis. SPSS and SmartPLS software were used to, respectively, obtain descriptive and inferential statistics required to test the conceptual framework.

CHAPTER 8: RESULTS

8.1 INTRODUCTION

This chapter reports the outcomes of the analytical procedures that were undertaken to derive important statistical results from the current research data. In other words, this chapter reports on the data analysis phase, following the cleaning of collected data to ensure consistency and the absence of errors. In the first part of this chapter, the results of the descriptive analysis generated through the use of IBM SPSS software is reported. The results of the descriptive analysis include an evaluation of the realised sample, descriptive statistics of the demographic profile of respondents, firm and business relationships, as well as frequencies pertaining to scale items. Next, the distributional properties of the responses to scale items (skewness and kurtosis) are reported. Subsequent to the discussion of descriptive statistics, the second part of this chapter addresses the results of the inferential analyses. Whereas research data was analysed in SPSS version 23 to obtain descriptive statistics, inferential results were generated through the employment of SmartPLS 3. The results of the inferential analyses were thus assessed by evaluating the statistics concerning the measurement model (i.e. reliability and validity), as well as evaluating the structural model and hypothesis testing. First, the measurement model was evaluated by investigating the outer loadings of scale items and removing those that were not satisfactory. Secondly, the reliability and validity were assessed by evaluating construct reliability and validity and discriminant validity. Thirdly, the structural model was considered and evaluated according to results derived from collinearity statistics, coefficient of determination and predictive accuracy measures. Based on these results, the final section of this chapter entails the ultimate consideration of the structural model and the hypotheses included in this research.

8.2 ANALYSIS PROTOCOL

Subsequent to the retrieval of questionnaires from respondents, Microsoft Excel was employed to capture data in spreadsheets. However, in order to prepare the relevant data for statistical analyses, the dataset was first evaluated, and cleaned where necessary, to ensure consistency and the absence of errors. Although there were four questionnaires out of the 213 received that presented missing values, only one response was removed as more than 50 percent of values were missing. The other questionnaires that contained missing values, had only one or two values missing, and were retained for further analysis.

First, SPSS version 23 was used to obtain summary statistics in order to describe research variables – which is illustrated through histograms and frequency tables in the proceeding sections of the current chapter. The measurement of central tendency (mean, median and mode), as well as measures of spread (standard deviation, skewness and kurtosis) were generated and reported. Secondly, the relationships between variables were analysed using SmartPLS 3.0, which allows researchers to treat missing values through several options, namely mean value replacement, casewise deletion and pairwise deletion (Hair *et al.*, 2017). Missing values were replaced by extreme values (i.e. 99999) as suggested by Hair *et al.* (2017). Furthermore, in order to have obtained construct reliability and validity, problematic scale items with outer loadings lower than 0.7 and t-values lower than 1.96 were removed (Hair *et al.*, 2017), namely items NP1, NP2, O3, O4, RM1, S1, T1, U1 and U2.

8.3 DESCRIPTIVE ANALYSIS

In the following section, the descriptive statistics and frequency tables of demographic variables, as well as scale items concerning model constructs will be discussed. First, the description of the realised sample will be examined in terms of the characteristics of respondents and the problematic business relationships they were asked to consider. Subsequent to reporting the demographic profile of the sample, summary statistics and frequency tables regarding scale items of model constructs will be reported.

8.3.1 Description of realised sample

A structural equation modelling calculator developed by Daniel Soper (2015) generated three results concerning sample size, namely a minimum sample size of 2219, minimum sample size for model structure of 114, and a recommended minimum sample size of 2219. However, because of the nature of business-to-business research and limited accessibility and availability of the target population, Tabachnick and Fidell's (1996) rule of thumb was adopted – which suggests a more realistic sample size of 200 to 400 respondents. Hence, 250 questionnaires were distributed to selected respondents (account managers and other middle and top-level managers) across various industries in South Africa. From this sample comprising of 250 respondents, 213 questionnaires were obtained during the data collection phase. However, as previously mentioned, during the data cleaning phase one response was removed from the sample, which resulted in a working sample of 212 responses.

The questionnaire, as indicated in Chapter 7, comprised of questions concerning both the demographic profile of respondents and statements used to measure model constructs. After the collected data was transferred to spreadsheets in Microsoft Excel and underwent data cleaning (which entailed the identification and treatment of incomplete responses, bias responses and anomalies, as well as the evaluation of data capturing accuracy), re-coded numerical datasets were imported to SPSS software for statistical analysis. In Table 8.1, the descriptive statistics concerning the demographic profile of the sample is shown. Items Q1 and Q2 focused on firm characteristics which reflects the approximate number of employees in the respondent's company and the company's approximate age (in years) respectively. Items Q3 to Q6 encompassed questions concerning respondent characteristics, namely: how many years the respondent has been employed by their current company (Q3), their current position in the company (Q4), what managerial level best describes their position (Q5), as well as how many years they have been active in their current position (Q6). However, because Q4 was posed as an open-ended question and thus generated a variety of responses, Q3 was primarily used to describe respondents' current positions in their companies. Additionally, respondents were also asked to answer questions concerning a partnership that had been problematic in the past or was problematic at present. In Q7 respondents were asked more specifically to identify the main reasons they were experiencing problems with their partner, whereas Q8 focused on identifying what type of partner organisations (i.e. supplier, buyer or customer, service provider, collaborator, etc.) were more problematic. Both these aforementioned questions were open-ended and respondents could select more than one answer, as well as provide their own specific answer if needed.

Table 8.1 Descriptive statistics of demographic information

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
Q1	212	1.0	7.0	3.840	2.0054	.102	.167	-1.055	.333
Q2	212	1.0	6.0	4.363	1.2676	-.753	.167	-.103	.333
Q3	211	1.0	5.0	3.071	1.0996	-.142	.167	-.649	.333
Q4	188	1.0	42.0	10.723	11.0341	1.278	.177	.434	.353
Q5	211	1.0	3.0	1.735	.6588	.345	.167	-.749	.333
Q6	212	1.0	4.0	2.712	.9525	.040	.167	-1.119	.333
Q7	288	1.0	12.0	1.622	1.3965	4.571	.144	25.502	.286
Q8	245	1.0	5.0	1.633	.9342	1.190	.156	.240	.310

Firm characteristics

Figure 8.1 depicts the approximate number of employees in respondents' companies. Respondents of companies with 10 or less employees accounted for 18.9% of the sample, while

companies with 5001 or more made up 16%. The majority of respondents (27.4%) came from companies that have between 51 to 250 employees. Furthermore, respondents from companies with a size of 251 to 750 were in the minority, making up only 6.1% of the sample. Other categories of approximate company size accounted for the following percentages of the sample: 10.8% had between 11 and 25 employees, 9.3% of respondents came from companies with 26 to 50 employees, and companies with a size of 251 to 750 made up 11.3%.

Thus, based on Arowomole's (2000) identification of firm sizes, 66.5% of respondents came from small to medium enterprises and 33.5% came from large companies.

Figure 8.1 Number of employees in years (Q1)

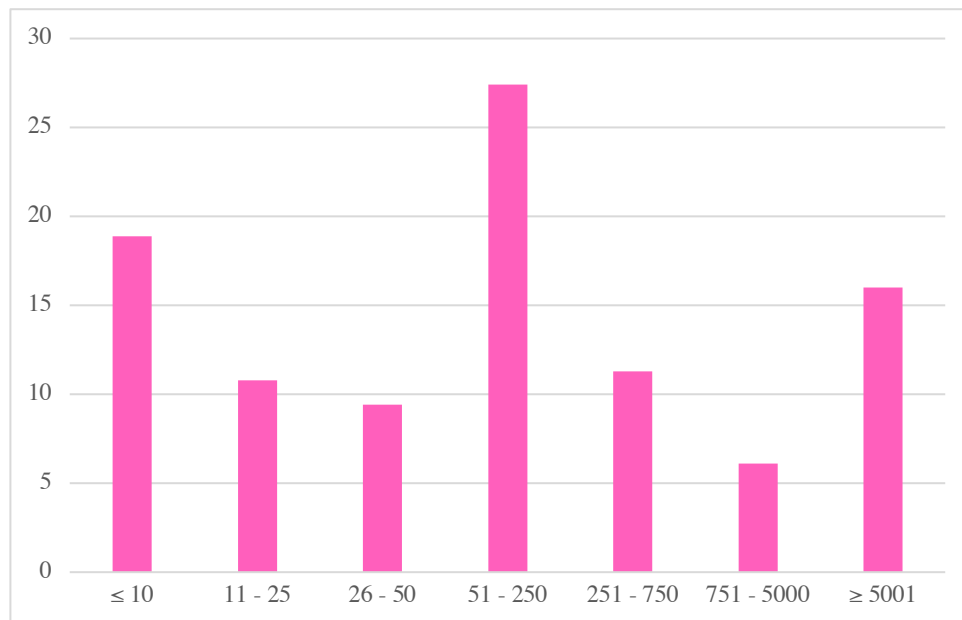
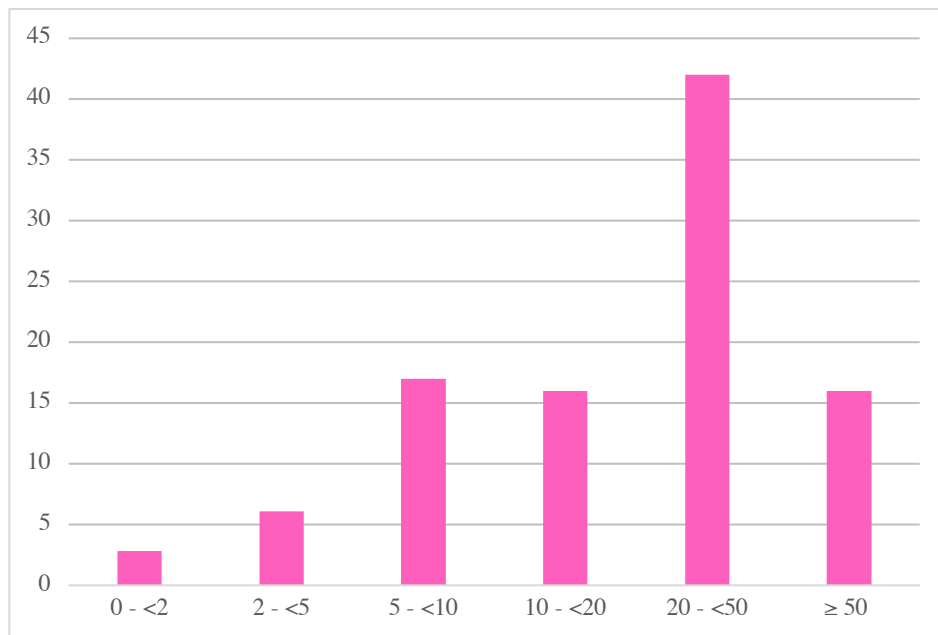


Figure 8.2 illustrates the frequencies of answers according to the approximate age of respondents' companies. The majority of respondents came from companies between the age of 20 and 50 years, thus, accounting for 42% of the sample, whereas companies under two years of age were in the minority (2.8%). Companies with the age of 50 and older made up 16%, while 6.1% were between the age of 2 to 5 years, 17% aged 5 to 10 years, and 16% companies within the age range of 10 to 20 years. In other words, 58% of respondents came from companies that have been operating for more than 20 years in various industries across South Africa.

Figure 8.2 Age of company in years (Q2)

Respondent characteristics

Questions Q3 to Q6 focused on the demographic profile of respondents by addressing the following: the approximate total number of years a respondent have been employed in their company, their current position and managerial level in the company, as well as how many years they have been employed in their current position.

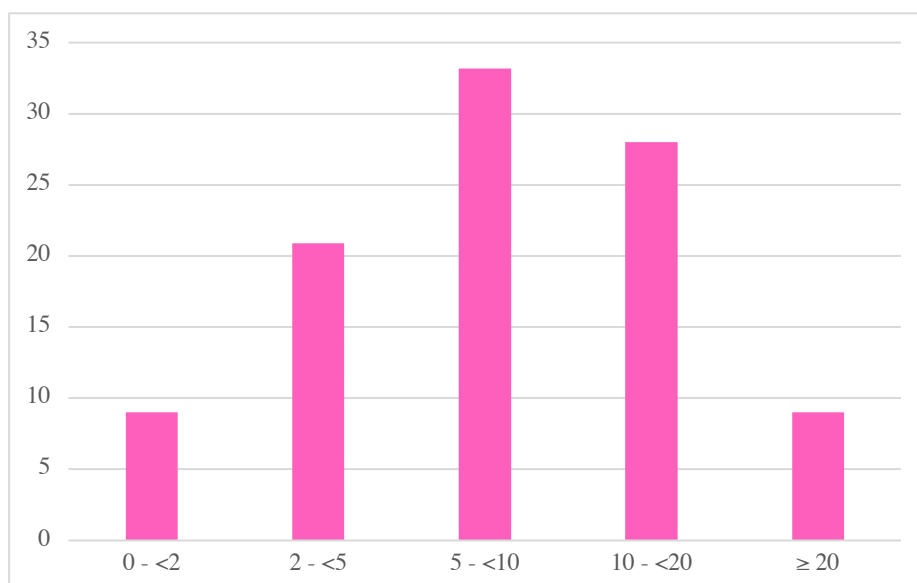
Figure 8.3 Total number of years respondent has been employed (Q3)

Figure 8.3 shows the total number of years respondents have been employed by their company. The majority of respondents have been employed by their company for a total of 5 to 10 years, making up 33.1% of the sample. Other categories with high frequencies include those of 2 to 5 years (20.9%), and 10 to 20 years (28%). Respondents who have worked at their companies for less than 2 years, or more than 20 years, each form only 9% of the sample. The abovementioned frequencies indicate that the majority of respondents (70.1%) have been employed for more than 5 years by their companies.

Figure 8.4 Managerial level of respondents (Q5)

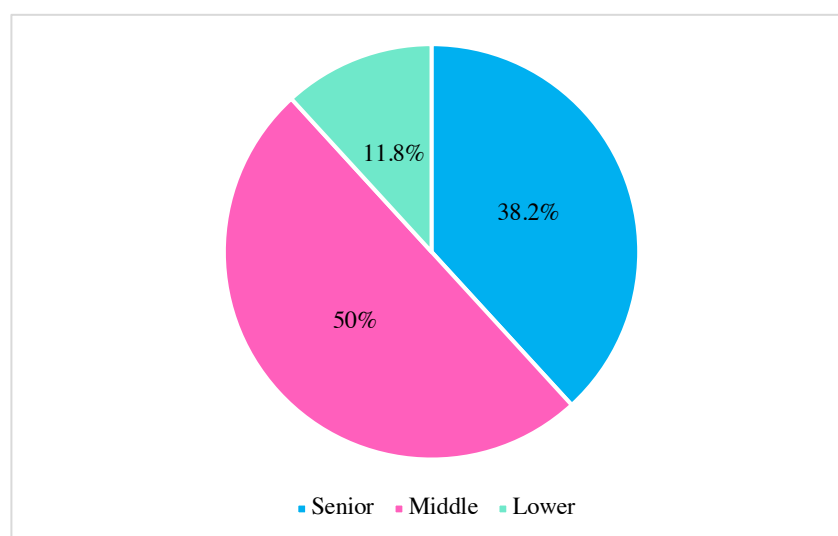
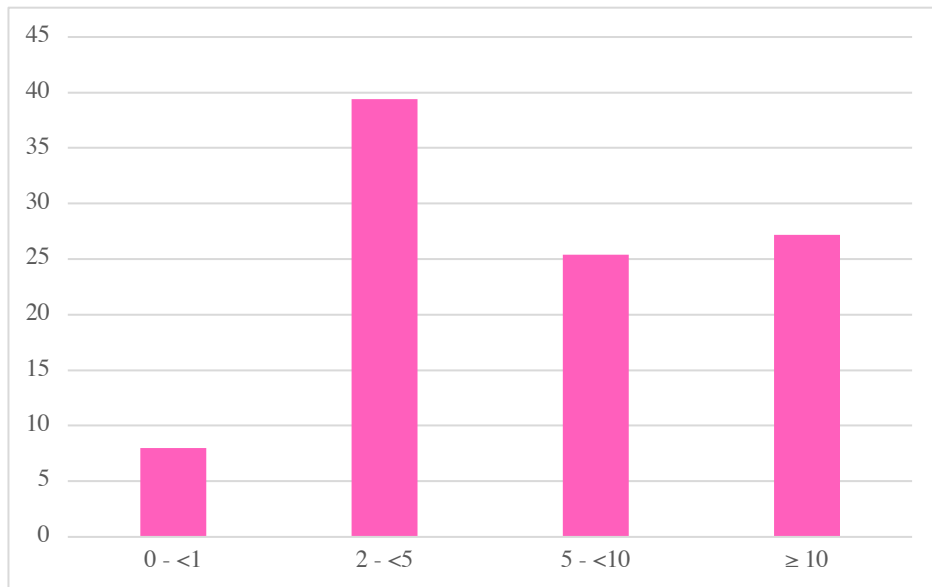


Figure 8.4 shows the managerial level of respondents. Respondents in senior management positions account for 50% of the sample, whereas middle managers make up 38.2%, and the remaining 11.8% are respondents in lower management positions. In other words, the majority (88.2%) of respondents are either middle or senior managers, which can be advantageous to the current study as respondents in higher managerial positions are more likely to be in possession of more accurate information pertaining to the company's business relations (Shin *et al.*, 2000; Georges & Eggert, 2003).

In Figure 8.5 (see next page), the data relating to the number of years respondents have been employed in their current position is shown. The majority of respondents (39.4%) have been active in their current position for a period of 2 to 5 years. The minority, on the other hand, have only been employed in their current position for less than one year, and makes up 8%. Respondents who have been working in their current position for 5 to 10 years and more 10 years, accounted for 25.4% and 27.2% of the realised sample, respectively.

Figure 8.5 The number of years employed in their current position (Q6)

Relationship characteristics

In addition to firm and respondent characteristics, the questionnaire also asked respondents to answer questions regarding particular business relationships that have been problematic in the past, or that were at present. The first question (Q7) asked respondents to identify the main reasons for problems with a particular business partner, whereas the second question (Q8) focused on the type of partner organisation that is usually problematic.

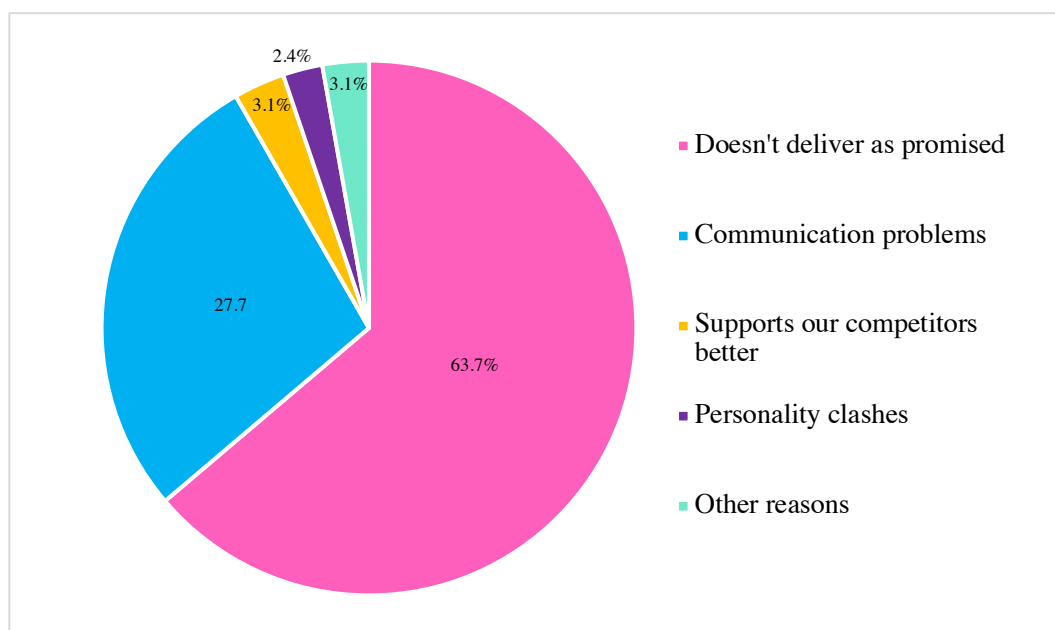
Figure 8. 6 Main reasons for problems with business partners (Q7)

Figure 8.6 shows the frequency of answers concerning what respondents identified as the main reasons why their relationship with a particular business partner is problematic. The majority of the sample (63.7%) indicated that problems in their business relationships are mostly due to partners who do not deliver as promised. Furthermore, 27.7% of respondents identified that most of the problems were due to partners not communicating enough with them, while 3.1% indicated that problems arose due to business partners supporting their competitors better, and 2.4% of problems were due to personality problems between parties. Hence, most respondents identified that their problematic business relationships were due to partners not delivering as promised. The remaining 3.1% of the sample includes other reasons such as, geographical implications, cultural differences and issues pertaining to franchise agreements.

Figure 8.7 Type of problematic business partner (Q8)

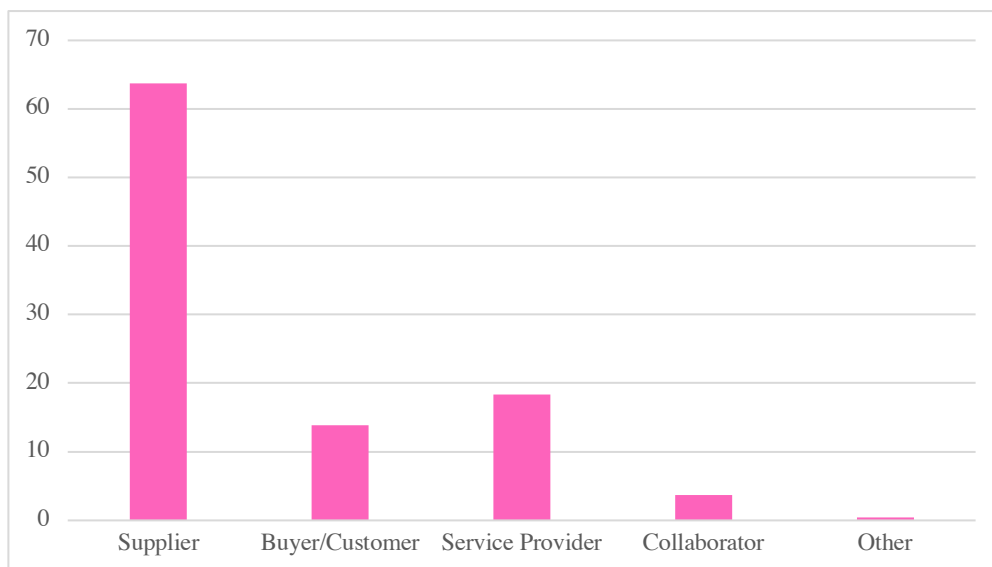


Figure 8.7 shows that 63.7% of respondents identified suppliers as the type of partner that is most problematic. Buyers, or customers, made up 13.9%, service providers accounted for 18.4%, while 3.4% of respondents identified collaborates as problematic business partners. The remaining 0.3% are other types of business partners – for example, a group managing company.

8.3.2 Descriptive results of scale items

In this section, the descriptive statistics concerning scale items will be discussed. This involves the results obtained concerning antecedents of dark side behaviour (trust, shared values, opportunistic behaviour and uncertainty), behavioural outcomes (conflict, power, dependence

and commitment) and symptoms of dark side behaviour (relational myopia, complacency, vulnerability and suspicion). These items were measured in the questionnaire using a 7-point Likert scale in order to acquire information concerning the onset of dark side behaviour in business-to-business relationships. Table 8.2 shows the descriptive statistics for scale items used to measure the constructs of the conceptual model.

8.3.2.1 Antecedents of dark side behaviour

The current study explored trust, shared values, opportunistic behaviour and uncertainty as potential antecedents of dark side behaviour, that could cause behavioural outcomes that could damage business relationships. The following section reports on relevant descriptive statistics (namely mean, standard deviation, skewness and kurtosis), as well as the response frequencies for each item.

Trust

Table 8.2 shows that the mean of item T1 is 3.25, the standard deviation is 1.68, the skewness is 0.32 and the kurtosis is -0.81. Based on these aforementioned results, the distribution for T1 is potentially symmetrical and platykurtic (negative kurtosis) – which may infer that the data is not normally distributed.

Figure 8.8 Frequencies for trust items

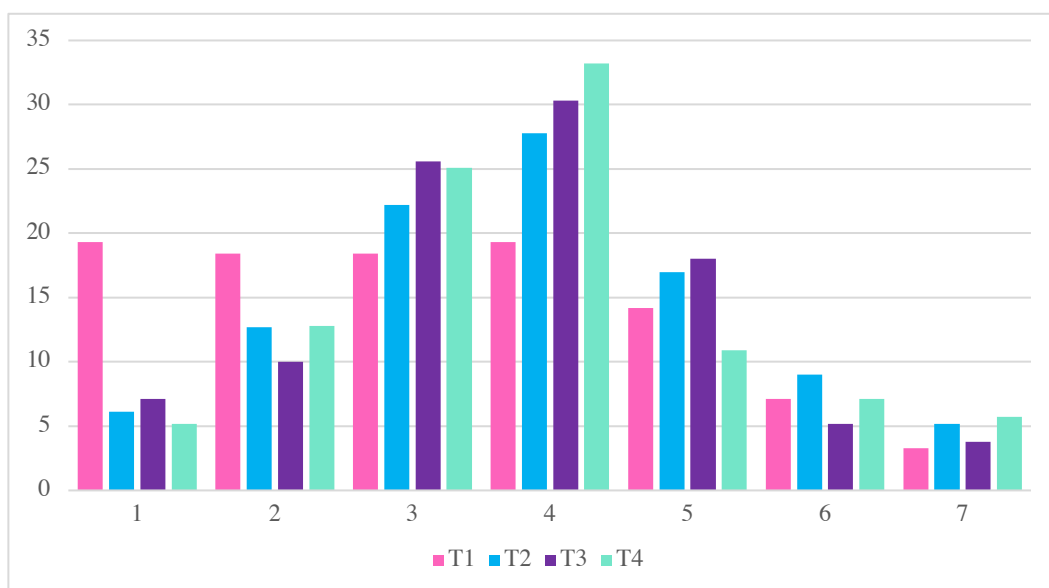


Table 8.2 Descriptive statistics of scale items

	N	Minimum	Maximum	Mean	Std. Deviation	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
T1	212	1.0	7.0	3.250	1.6831	.316	.167	-.806	.333
T2	212	1.0	7.0	3.844	1.5049	.133	.167	-.426	.333
T3	211	1.0	7.0	3.730	1.4000	.092	.167	-.055	.333
T4	211	1.0	7.0	3.758	1.4453	.354	.167	-.044	.333
C1	212	1.0	7.0	4.825	1.2816	-.133	.167	-.511	.333
C2	212	1.0	7.0	5.292	1.2803	-.508	.167	-.231	.333
C3	212	1.0	7.0	5.198	1.4002	-.599	.167	.043	.333
C4	212	1.0	7.0	5.127	1.3966	-.504	.167	-.099	.333
O1	212	1.0	7.0	4.481	1.7591	-.559	.167	-.770	.333
O2	212	1.0	7.0	4.292	1.4406	-.390	.167	-.368	.333
O3	212	1.0	7.0	4.566	1.8241	-.412	.167	-.779	.333
O4	212	1.0	7.0	4.458	1.6358	-.370	.167	-.620	.333
SV1	212	1.0	7.0	4.439	1.4045	-.516	.167	.116	.333
SV2	212	1.0	7.0	4.594	1.4459	-.442	.167	.105	.333
SV3	212	1.0	7.0	4.066	1.5068	-.155	.167	-.246	.333
SV4	212	1.0	7.0	4.297	1.5150	-.399	.167	-.187	.333
RM1	212	1.0	7.0	4.571	1.4764	-.372	.167	-.373	.333
RM2	212	1.0	7.0	5.349	1.3423	-1.027	.167	1.243	.333
RM3	212	1.0	7.0	5.113	1.3013	-.616	.167	.496	.333
COM1	212	1.0	7.0	3.627	1.8156	.064	.167	-1.177	.333
COM2	212	1.0	7.0	3.972	1.8081	-.361	.167	-1.258	.333
COM3	212	1.0	7.0	3.792	1.7401	-.031	.167	-1.098	.333
COM4	212	1.0	7.0	3.500	1.8408	.177	.167	-1.234	.333
V1	212	1.0	7.0	4.292	1.8573	-.300	.167	-1.145	.333
V2	212	1.0	7.0	4.137	1.8816	-.126	.167	-1.220	.333
V3	212	1.0	7.0	4.080	1.8899	-.261	.167	-1.216	.333
S1	212	1.0	7.0	4.401	1.5315	-.250	.167	-.587	.333
S2	212	1.0	7.0	4.325	1.6530	-.232	.167	-.943	.333
S3	212	1.0	7.0	4.524	1.6478	-.318	.167	-.840	.333
S4	211	1.0	7.0	4.441	1.6125	-.425	.167	-.610	.333
S5	211	1.0	7.0	4.227	1.5570	-.530	.167	-.435	.333
U1	212	1.0	7.0	3.835	1.5351	-.140	.167	-.659	.333
U2	212	1.0	7.0	4.679	1.4864	-.642	.167	.114	.333
U3	212	1.0	7.0	4.420	1.3797	-.329	.167	-.429	.333
U4	212	1.0	7.0	4.684	1.3310	-.499	.167	-.057	.333
D1	212	1.0	7.0	3.958	1.7370	-.082	.167	-1.178	.333
D2	212	1.0	7.0	4.231	1.7601	-.504	.167	-.811	.333
D3	212	1.0	7.0	4.123	1.7345	-.218	.167	-.941	.333
NP1	212	1.0	7.0	4.382	1.4894	-.477	.167	-.308	.333
NP2	212	1.0	7.0	4.330	1.3955	-.374	.167	-.343	.333
NP3	212	1.0	7.0	3.929	1.6203	.055	.167	-.912	.333
NP4	212	1.0	7.0	3.863	1.6594	.063	.167	-.782	.333
CP1	212	1.0	7.0	4.080	1.7329	-.229	.167	-.885	.333
CP2	211	1.0	7.0	3.867	1.7678	-.141	.167	-1.080	.333
CP3	212	1.0	7.0	3.920	1.7493	-.123	.167	-1.092	.333
CP4	212	1.0	7.0	3.585	1.6428	-.097	.167	-1.039	.333
FC1	212	1.0	7.0	5.118	1.3350	-.749	.167	.155	.333
FC2	212	1.0	7.0	4.316	1.8055	-.354	.167	-1.036	.333
FC3	212	1.0	7.0	4.693	1.6102	-.557	.167	-.565	.333
DC1	212	1.0	7.0	4.241	1.4321	-.235	.167	-.566	.333
DC2	212	1.0	7.0	3.910	1.6223	-.123	.167	-.906	.333
DC3	212	1.0	7.0	4.184	1.5965	-.361	.167	-.673	.333
DC4	212	1.0	7.0	4.024	1.6621	-.300	.167	-.830	.333

Note: T = Trust, C = Commitment, O = Opportunistic behaviour, SV = Shared values, RM = Relational myopia, COM = Complacency, V = Vulnerability, S = Suspicion, U = Uncertainty, D = Dependence, NP = Non-coercive power, CV = Coercive power, FC = Functional conflict, DC = Dysfunctional conflict

Figure 8.8 shows the frequencies for T1, which depicts that 19.3% of respondents strongly disagreed, 18.4% mostly disagreed, 18.4% somewhat disagreed, 19.3% were neutral, 14.2% somewhat agreed, 7.1% mostly agreed and 3.3% strongly agreed.

Item T2 has a mean of 3.84 and a standard deviation of 1.51. In addition, results pertaining skewness and kurtosis are, respectively, 0.13 and -0.43. Hence, the distribution can be described as potentially symmetric and mesokurtic, which indicates that the data for T2 is not normally distributed. In Figure 8.8, the frequencies for item T2 are shown, which shows that 6.1% of respondents strongly disagreed, 12.7% mostly disagreed, 22.2% somewhat disagreed, 27.8% were neutral, 17% somewhat agreed, 9% mostly agreed and 5.2% strongly agreed.

Furthermore, the mean for item T3 is 3.73, the standard deviation is 1.4, the skewness is 0.09 and the kurtosis is -0.06. The distribution shape can thus be described as potentially symmetrical and mesokurtic, which infers that the data is not normally distributed. Figure 8.8 illustrates that 7.1% of the sample strongly disagreed, 10% mostly disagreed, 25.6% somewhat disagreed, 30.3% were neutral, 18% somewhat agreed, 5.2% mostly agreed and 3.8% strongly agreed.

Item T4 has a mean of 3.76 and a standard deviation of 1.45, as well as a skewness and kurtosis of 0.35 and -0.04, respectively. Based on these statistics, the distribution can be described as asymmetrical and right-skewed, as well as potentially mesokurtic. Therefore, it can be assumed that the data is not normally distributed. In addition, Figure 8.8 shows that 5.2% of respondents strongly disagreed, 12.8% mostly disagreed, 25.1% somewhat disagreed, 33.2% were neutral, 10.9% somewhat agreed, 7.1% mostly agreed and 5.7% strongly agreed.

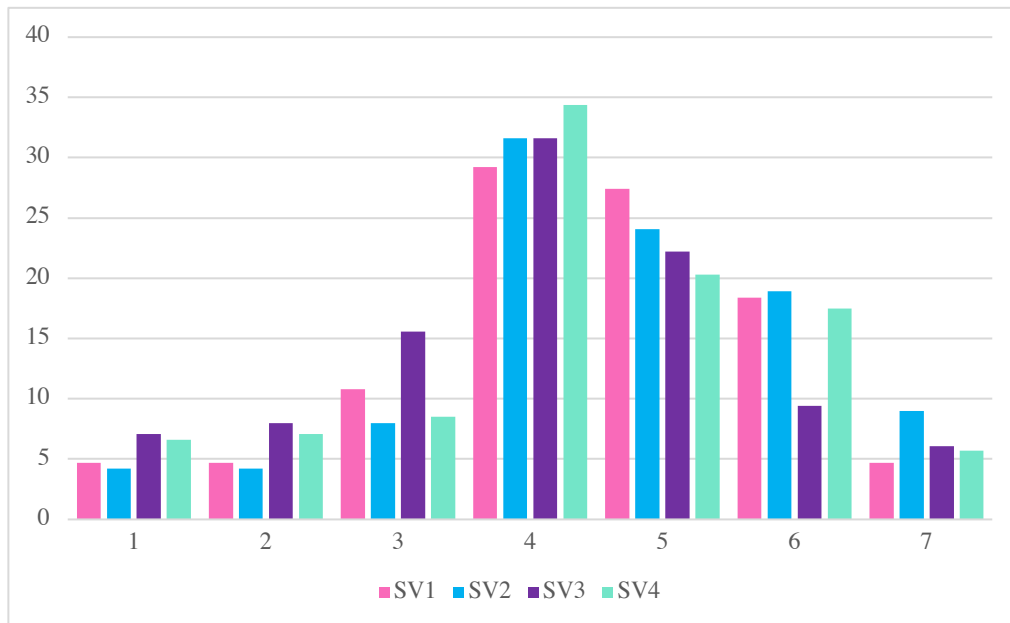
Shared values

Items SV1 to SV4 were used to investigate the moderating role of shared values on the relationship between detrimental relationship elements and symptoms of dark side behaviour. Table 8.2 provides the descriptive statistics for scale items concerning shared values, whereas Figure 8.9 includes the relevant frequency tables.

The mean for item SV1 is 4.44, the standard deviation is 1.41, the skewness is -0.52 and the kurtosis is 0.12. The distribution can thus be described as asymmetrical and left-skewed, as well as mesokurtic – which indicates that the data is not normally distributed. In Figure 8.20, the frequency table for item SV1 is shown, which depicts that 4.7% of respondents strongly

disagreed, 4.7% mostly disagreed, 10.8% somewhat disagreed, 29.2% were neutral, 27.4% somewhat agreed, 18.4% mostly agreed and 4.7% strongly agreed.

Figure 8.9 Frequencies for shared values items



Item SV2 has a mean of 4.60, a standard deviation of 1.45, a skewness of -0.44 and a kurtosis of 0.11. Based on these aforementioned results, the distribution can be characterised as asymmetrical and left-skewed, as well as potentially mesokurtic – which infers that the data is not normally distributed. Figure 8.9 shows that 4.2% of respondents strongly disagreed, 4.2% mostly disagreed, 8% somewhat disagreed, 31.6% were neutral, 24.1% somewhat agreed, 18.9% mostly agreed and 9% strongly agreed.

Table 8.2 depicts that item SV3 has a mean of 4.07 and a standard deviation of 1.51. Additionally, statistics pertaining to skewness and kurtosis are -0.16 and -0.25, respectively. Hence, the distribution can be described as potentially symmetrical and mesokurtic, indicating that the data is not normally distributed. In Figure 8.9, frequencies concerning item SV3 illustrates that 7.1% of respondents strongly disagreed, 8% mostly disagreed, 15.6% somewhat disagreed, 31.6% were neutral, 22.2% somewhat agreed, 9.4% mostly agreed and 6.1% strongly agreed.

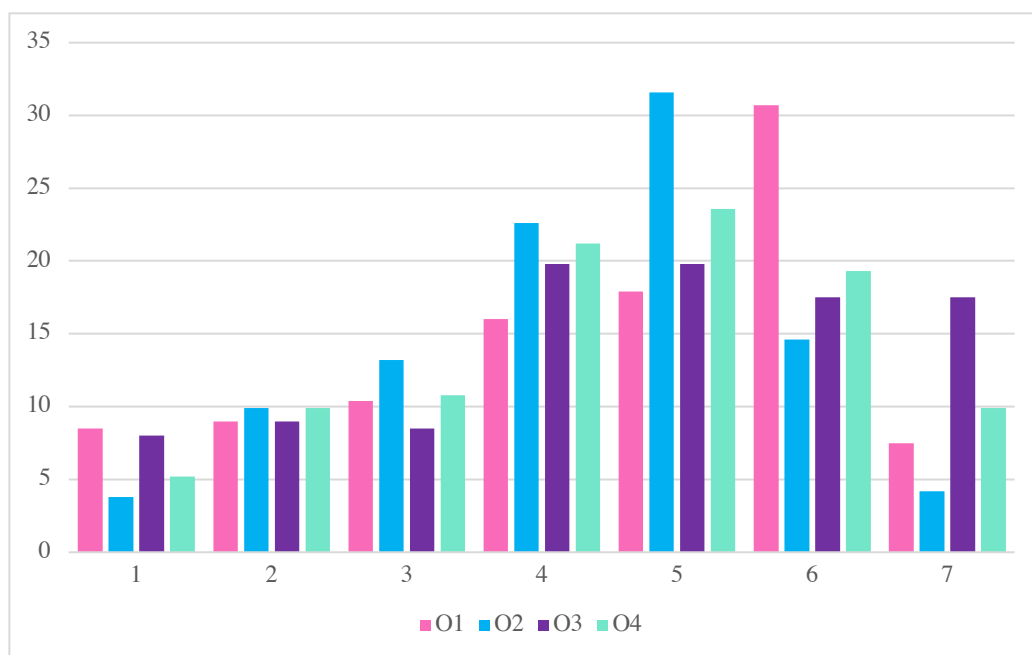
Furthermore, item SV4 has a mean of 4.30, a standard deviation of 1.52, skewness of -0.40 and a kurtosis of -0.19. The distribution can be described as asymmetrical and left-skewed, as well as potentially mesokurtic – which also indicates that the data is not normally distributed. In Figure 8.9, the frequencies for item SV4 is illustrated, showing that 6.6% of respondents

strongly disagreed, 7.1% mostly disagreed, 8.5% somewhat disagreed, 34.4% were neutral, 20.3% somewhat agreed, 17.5% mostly agreed and 5.7% strongly agreed.

Opportunistic behaviour

In Table 8.2, the descriptive statistics for items pertaining to opportunistic behaviour are provided, whereas Figure 8.10 illustrates the frequencies for each scale item.

Figure 8.10 Frequencies for opportunistic behaviour items



The mean for item O1 is 4.48, the standard deviation is 1.76, the skewness is -0.56, and the kurtosis is -0.77. Based on the aforementioned statistics, the distribution can be described as asymmetrical and left-skewed, as well as platykurtic (negative kurtosis), which infers that the data is not normally distributed. The frequency table (Figure 8.10) shows that for item O1, 8.5% of the sample strongly disagreed, 9% mostly disagreed, 10.4% somewhat disagreed, 16% were neutral, 17.9% somewhat agreed, 30.7% mostly agreed and 7.5% strongly agreed.

Item O2 has a mean of 4.29, a standard deviation of 1.44, a skewness of -0.39 and a kurtosis of -0.37. The distribution for O2 can thus be characterised as asymmetrical and left-skewed, as well as potentially mesokurtic – which indicates that the data is not normally distributed. In Figure 8.10 the frequencies for opportunistic behaviour scale items are illustrated and shows that 3.8% of respondents strongly disagreed, 9.9% mostly disagreed, 13.2% somewhat

disagreed, 22.6% were neutral, 31.6% somewhat agreed, 14.6% mostly agreed and 4.2% strongly agreed.

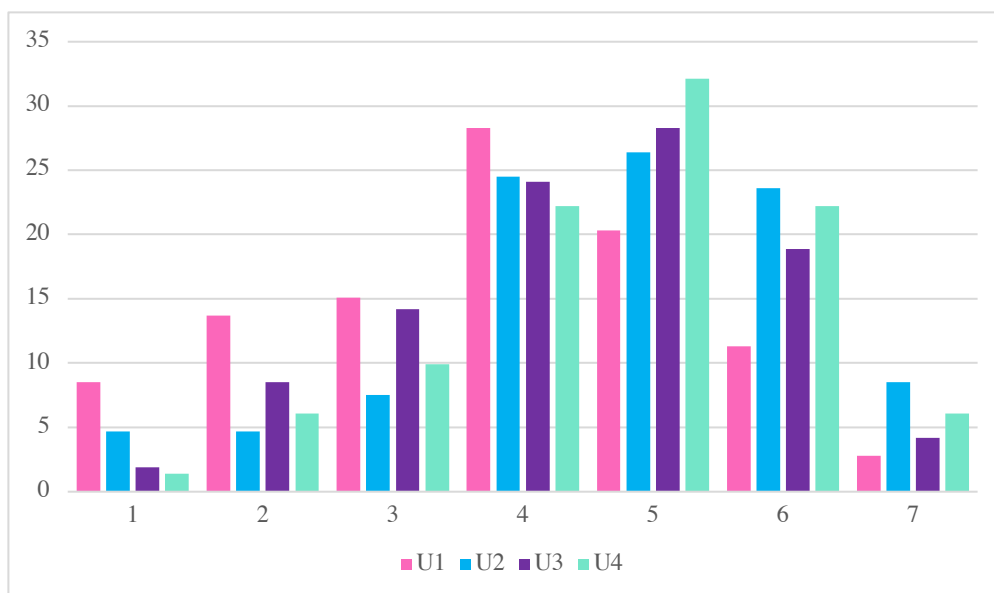
Furthermore, the mean for item O3 is 4.57, the standard deviation is 1.82, the skewness is -0.41 and the kurtosis -0.78. The distribution can be described as asymmetrical and left-skewed, as well as platykurtic (negative kurtosis). Hence, the data can be defined not normally distributed. Figure 8.10 depicts that 8% of respondents strongly disagreed, 9% mostly disagreed, 8.5% somewhat disagreed, 19.8% were neutral, 19.8% somewhat agreed, 17.5% mostly agreed and 17.5% strongly agreed.

The mean for item O4 is 4.46 and the standard deviation is 1.64. In addition, the results pertaining skewness and kurtosis are -0.37 and -0.62, respectively. These aforementioned results therefore define the distribution as asymmetrical and left-skewed, as well as potentially mesokurtic – which indicates that the data is not normally distributed. Figure 8.10 shows that 5.2% of respondents strongly disagreed, 9.9% mostly disagreed, 10.8% somewhat disagreed, 21.2% were neutral, 23.6% somewhat agreed, 19.3% mostly agreed and 9.9% strongly agreed.

Uncertainty

In this section, the descriptive statistics concerning uncertainty measurement items will be discussed, along with the frequency tables for each of the scale items U1 to U4. Figure 8.11 displays the frequency tables for responses recorded pertaining uncertainty items.

Figure 8.11 Frequencies for uncertainty items



The mean for item U1 is 3.84, the standard deviation is 1.54, the skewness is -0.14 and the kurtosis is -0.66. The distribution can thus be described as potentially symmetrical and mesokurtic, which indicates that the data is not normally distributed. Figure 8.11 shows that 8.5% of respondents strongly disagreed, 13.7% mostly disagreed, 15.1% somewhat disagreed, 28.3% were neutral, 20.3% somewhat agreed, 11.3% mostly agreed and 2.8% strongly agreed. Item U2 has a mean of 4.68 and a standard deviation of 1.49. In addition, results pertaining skewness and kurtosis are -0.64 and 0.11, respectively. Based on these aforementioned statistics, the distribution can be described as asymmetrical and left-skewed, as well as potentially mesokurtic. Thus, the data for U2 is not normally distributed. In Figure 8.11, the frequencies for item U2 is shown, which indicates that 4.7% of the sample strongly disagreed, 4.7% mostly disagreed, 7.5% somewhat disagreed, 24.5% were neutral, 26.4% somewhat agreed, 23.6% mostly agreed and 8.5% strongly agreed.

Furthermore, item U3 has a mean of 4.42, a standard deviation of 1.38, a skewness of -0.33 and a kurtosis of -0.43. Hence, the current distribution is asymmetrical and left-skewed, as well as potentially mesokurtic – which indicates that the data is not normally distributed. Frequencies pertaining U3 infers that 1.9% of respondents strongly disagreed, 8.5% mostly disagreed, 14.2% somewhat disagreed, 24.1% were neutral, 28.3% somewhat agreed, 18.9% mostly agreed and 4.2% strongly agreed.

The mean for item U4 is 4.68, the standard deviation is 1.33, the skewness is -0.50 and the kurtosis is -0.06. Based on these results, the shape of the distribution can be described as asymmetrical and left-skewed, as well as potentially mesokurtic. Therefore, it can be assumed that the data for item U4 is not normally distributed. Figure 8.11 shows that 1.4% of respondents strongly disagreed, 6.1% mostly disagreed, 9.9% somewhat disagreed, 22.2% were neutral, 32.1% somewhat agreed, 22.2% mostly agreed and 6.1% strongly agreed.

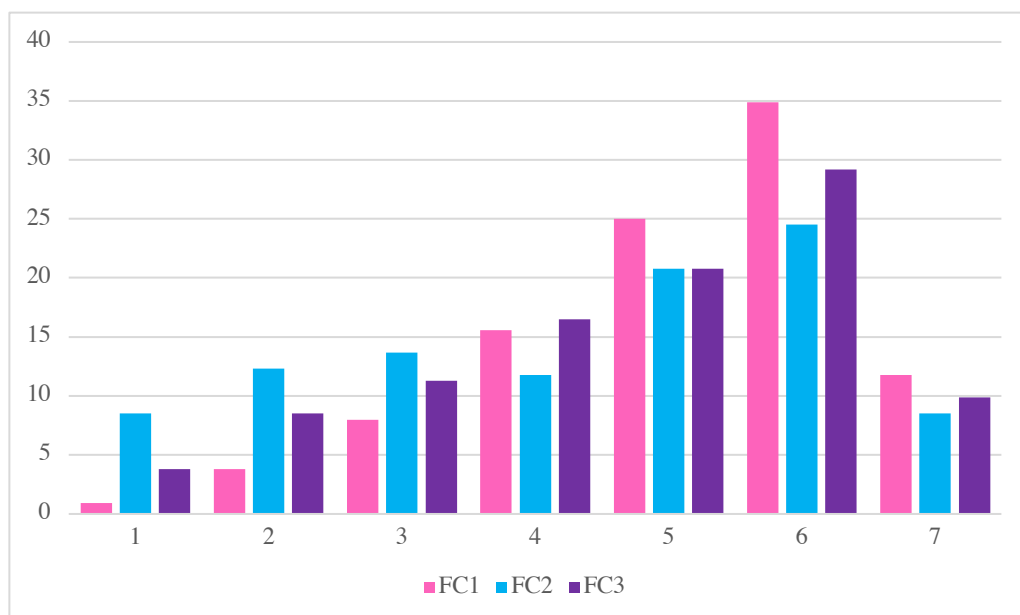
8.3.2.2 Behavioural outcomes

In this section, the descriptive statistics and frequency tables concerning behavioural outcomes will be discussed. These outcomes include functional and dysfunctional conflict, non-coercive and coercive power, dependence and commitment. Table 8.2 provides the descriptive statistics generated for the abovementioned constructs.

Conflict

For the purpose of the current study, both dimensions of conflict (namely, functional and dysfunctional) were measured in order to determine how dark side behaviour occur in business-to-business relationships. Figure 8.12 depicts the frequencies for functional conflict items, while Figure 8.13 entails the frequency of data for the various items concerning dysfunctional conflict.

Figure 8.12 Frequencies for functional conflict items



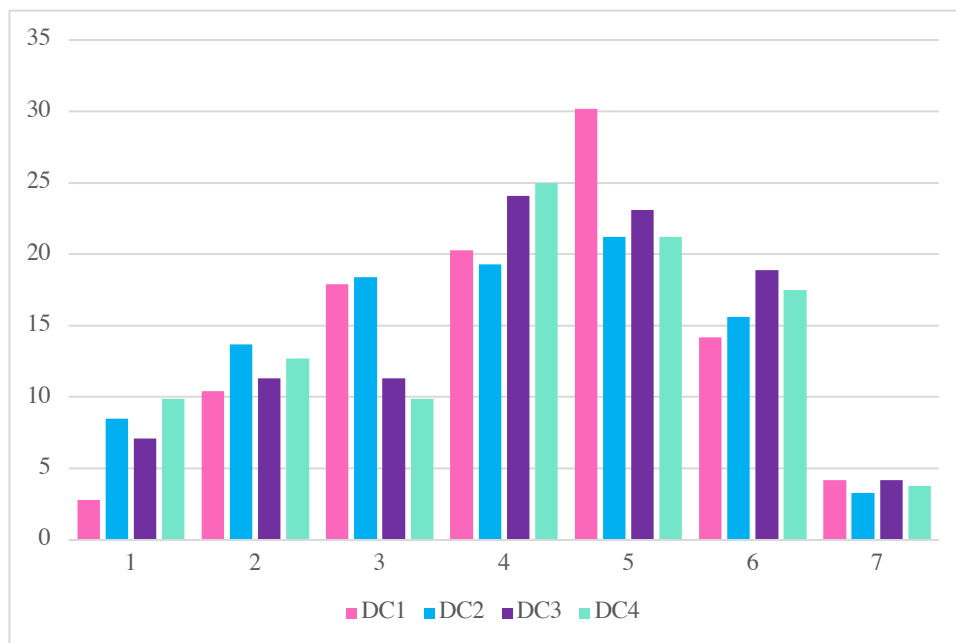
The mean for item FC1 is 5.12, the standard deviation is 1.34, the skewness is -0.75 and the kurtosis is 0.16. Based on the aforementioned results, the distribution can be described as asymmetrical and left-skewed, as well as potentially mesokurtic. Hence, it can be assumed that the data for FC1 is not normally distributed. Figure 8.12 shows the frequencies for FC1, which depicts that 0.9% of respondents strongly disagreed, 3.8% mostly disagreed, 8% somewhat disagreed, 15.6% were neutral, 25% somewhat agreed, 34.9% mostly agreed and 11.8% strongly agreed.

Item FC2 has a mean of 4.32 and a standard deviation of 181. In addition, results pertaining skewness and kurtosis are, respectively, -0.35 and -1.04. The distribution can consequently be described as asymmetrical and left-skewed, as well as platykurtic (negative kurtosis). These abovementioned statistics indicate that the data for FC2 is not normally distributed. In Figure

8.12, the frequencies for item FC2 are shown, which shows that 8.5% of the sample strongly disagreed, 12.3% mostly disagreed, 13.7% somewhat disagreed, 11.8% were neutral, 20.8% somewhat agreed, 24.5% mostly agreed and 8.5% strongly agreed.

Furthermore, the mean and standard deviation for item FC3 is 4.70 and 1.61, respectively, whereas the skewness is -0.56 and the kurtosis is -0.57. The shape of the distribution is thus asymmetrical (negative skewed) and potentially mesokurtic, which may indicate that the data is not normally distributed. In Figure 8.12, the frequencies for FC1 are shown, and this indicates that 3.8% of the sample strongly disagreed, 8.5% mostly disagreed, 11.3% somewhat disagreed, 16.5% were neutral, 20.8% somewhat agreed, 29.2% mostly agreed and 9.9% strongly agreed.

Figure 8.13 Frequencies for dysfunctional conflict items



The mean of item DC1 is 4.24, the standard deviation is 1.43, the skewness is -0.24 and the kurtosis is -0.57. Based on these statistics, the distribution can be described as potentially symmetrical and mesokurtic, which indicates that the data is not normally distributed. Additionally, Figure 8.13 illustrates the frequencies for item DC1, which shows that 2.8% of the sample strongly disagreed, 10.4% mostly disagreed, 17.9% somewhat disagreed, 20.3% were neutral, 30.2% somewhat agreed, 14.2% mostly agreed and 4.2% strongly agreed.

Item DC2 has a mean of 3.91, a standard deviation of 1.62, a skewness of -0.12 and a kurtosis of -0.91. The shape of the distribution is thus potentially symmetrical and platykurtic (negative kurtosis), which may indicate that the data is not normally distributed. In Figure 8.13, the frequencies for item DC2 shows that 8.5% of the sample strongly disagreed, 13.7% mostly

disagreed, 18.4% somewhat disagreed, 19.3% were neutral, 21.2% somewhat agreed, 15.6% mostly agreed and 3.3% strongly agreed.

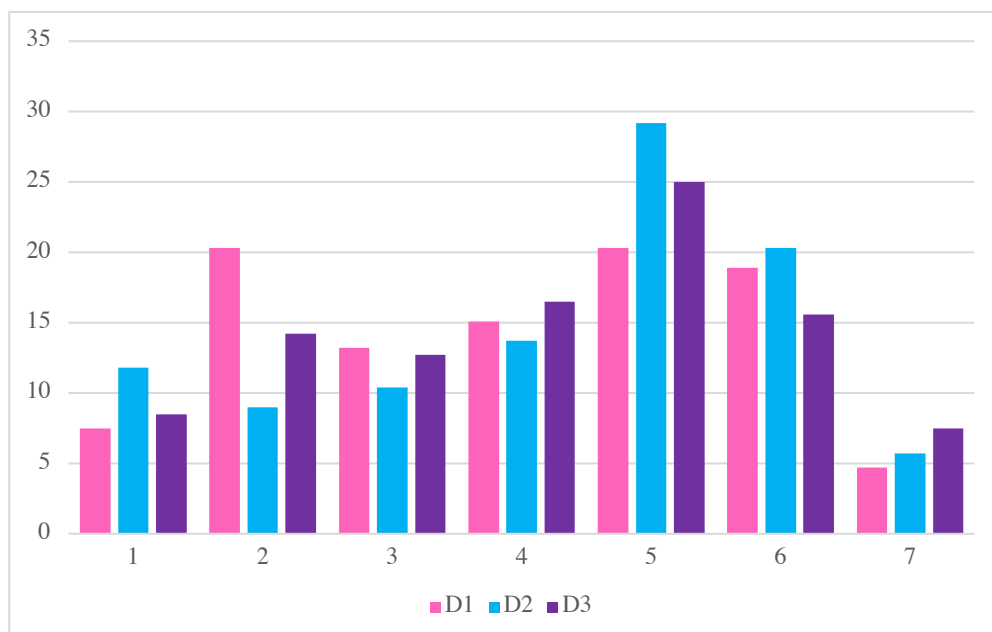
Furthermore, the mean for item DC3 is 4.18, the standard deviation is 1.60, the skewness -0.36 and the kurtosis -0.67. The distribution can thus be assumed to be asymmetrical and left-skewed, as well as platykurtic (negative kurtosis) – which indicates that the data is not normally distributed. In addition, Figure 8.13 shows that 7.1% of the sample strongly disagreed, 11.3% mostly disagreed, 11.3% somewhat disagreed, 24.1% were neutral, 23.1% somewhat agreed, 18.9% mostly agreed and 4.2% strongly agreed.

The mean and standard deviation for item DC4 is 4.02 and 1.66 respectively, whereas results pertaining skewness and kurtosis are -0.30 and -0.83. Based on these results, the shape of the distribution can be described as potentially symmetrical and platykurtic (negative kurtosis). Hence, the data for DC4 is not normally distributed. The frequencies for DC4 shows that 9.9% of all respondents strongly disagreed, 12.7% mostly disagreed, 9.9% somewhat disagreed, 25% were neutral, 21.2% somewhat agreed, 17.5% mostly agreed and 3.8% strongly agreed.

Dependence

The degree of dependence in problematic business-to-business relationship was measured by means of three scale items, which asked respondent to what extent they agree with statements provided. In Figure 8.14, the frequencies for answer concerning item D1 to D3 is shown.

Figure 8. 14 Frequencies for dependence items



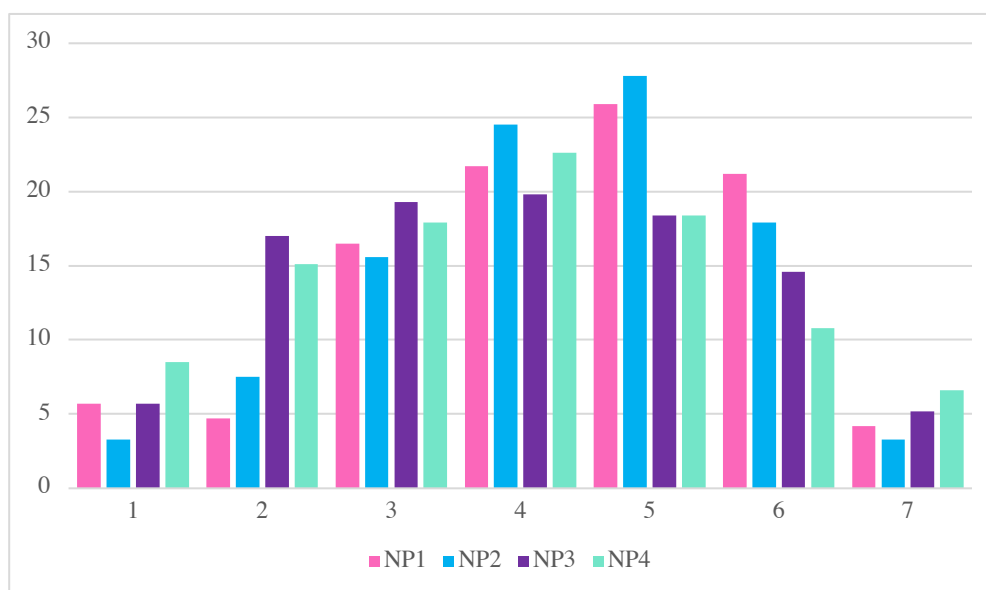
The mean for item D1 is 3.96, the standard deviation is 1.74, the skewness is -0.08 and the kurtosis is -1.18. The distribution shape is thus potentially symmetrical and platykurtic (negative kurtosis), which indicates that the data is not normally distributed. In Figure 8.14, the frequencies for D1 is illustrated, which reports that 7.5% of all respondents strongly disagreed, 20.3% mostly disagreed, 13.2% somewhat disagreed, 15.1% were neutral, 20.3% somewhat agreed, 18.9% mostly agreed and 4.7% strongly agreed.

Item D2 has a mean of 4.23 and a standard deviation of 1.76. In addition, results concerning skewness and kurtosis are -0.50 and -0.81, respectively. The distribution is thus asymmetrical and left-skewed, as well as platykurtic (negative kurtosis), which indicates that the data is not normally distributed. The frequencies for D2 (see Figure 8.14) show that 11.8% strongly disagreed, 9% mostly disagreed, 10.4% somewhat disagreed, 13.7% were neutral, 29.2% somewhat agreed, 20.3% mostly agreed and 5.7% strongly agreed.

Table 8.2 depicts that item D3 has a mean of 4.12, a standard deviation of 1.73, a skewness of -0.22 and a kurtosis of -0.94. Based on these statistics, the distribution can be described as potentially symmetrical and platykurtic (negative kurtosis). Therefore, it can be assumed that the data is not normally distributed. Frequencies concerning item D3 is illustrated in Figure 8.14 and shows that 8.5% of the sample strongly disagreed, 14.2% mostly disagreed, 12.7% somewhat disagreed, 16.5% were neutral, 25% somewhat agreed, 15.6% mostly agreed and 7.5% strongly agreed.

Power

The current study explores the role of power as a detrimental element of business relationships by examining both the impact of non-coercive and coercive dimensions. Table 8.15 depicts the frequencies for items pertaining to non-coercive power, while Table 8.16 shows the frequencies pertaining to coercive power.

Figure 8.15 Frequencies for non-coercive power items

The mean of item NP1 is 4.38, the standard deviation is 1.49, the skewness is -0.48 and the kurtosis is -0.31. Based on these results, distribution can be described as asymmetrical and left-skewed, and mesokurtic. Thus, the data is not normally distributed. Figure 8.15 illustrates the frequencies for item NP1 and shows that 5.7% strongly disagreed, 4.7% mostly disagreed, 16.5% somewhat disagreed, 21.7% were neutral, 25.9% somewhat agreed, 21.2% mostly agreed and 4.2% strongly agreed.

Item NP2 has a mean of 4.33 and a standard deviation of 1.40. Additionally, the results pertaining skewness and kurtosis are -0.37 and -0.34, respectively. The shape of the distribution can be described as asymmetrical and left-skewed, as well as potentially mesokurtic, which indicates that the data is not normally distributed. The frequencies for NP2 (see Figure 8.15) shows that 3.3% of the sample strongly disagreed, 7.5% mostly disagreed, 15.6% somewhat disagreed, 24.5% were neutral, 27.8% somewhat agreed, 17.9% mostly agreed and 3.3% strongly agreed.

The mean for item NP3 is 3.93, the standard deviation is 1.62, the skewness is 0.06 and the kurtosis is -0.91. The distribution can hence be described as potentially symmetrical and platykurtic (negative kurtosis), which indicates that the data is not normally distributed. The frequencies for answers regarding item NP3 depict that 5.7% of respondents strongly disagreed, 17% mostly disagreed, 19.3% somewhat disagreed, 19.8% were neutral, 18.4% somewhat agreed, 14.6% mostly agreed and 5.2% strongly agreed.

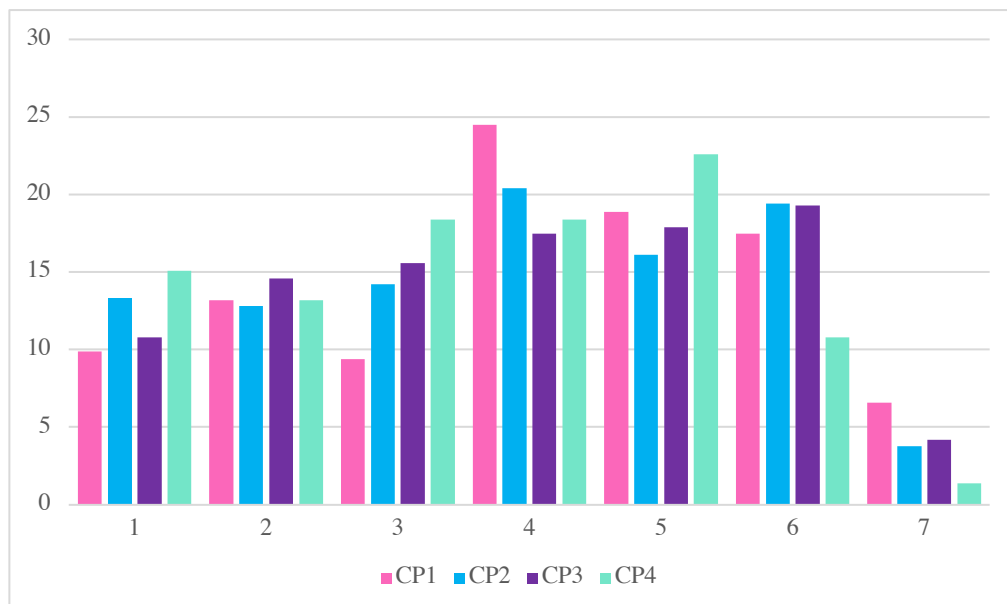
Furthermore, the mean for item NP4 is 3.86 and the standard deviation is 1.66. In addition, the results for skewness and kurtosis are 0.06 and -0.78, respectively. Given the aforementioned

statistics, the distribution can be described as potentially symmetrical and platykurtic (negative kurtosis) which infers that the data is not normally distributed. Figure 8.15 shows that 8.5% of the sample strongly disagreed, 15.1% mostly disagreed, 17.9% somewhat disagreed, 22.6% were neutral, 18.4% somewhat agreed, 10.8% mostly agreed and 6.6% strongly agreed.

The mean of item CP1 is 4.08, the standard deviation of 1.73, the skewness of -0.23 and the kurtosis is -0.89. Based on these statistics, the distribution is described as potentially symmetrical and platykurtic (negative kurtosis), which indicates that the data is not normally distributed. The frequency table (see Figure 8.16) for item CP1 shows that 13.3% of the sample strongly disagreed, 12.8% mostly disagreed, 14.2% somewhat disagreed, 20.4% were neutral, 16.1% somewhat agreed, 19.4% mostly agreed and 3.8% strongly agreed.

Item CP2 has a mean of 3.87, a standard deviation of 1.77, a skewness of -0.14 and a kurtosis of -1.08. The shape of the distribution for CP2 is thus potentially symmetrical and platykurtic (negative kurtosis), which infer that the data is not normally distributed. Figure 8.16 shows that frequencies for item CP2 and indicate that 13.3% of respondents strongly disagreed, 12.8% mostly disagreed, 14.2% somewhat disagreed, 20.4% were neutral, 16.1% somewhat agreed, 19.4% mostly agreed and 3.8% strongly agreed.

Figure 8.16 Frequencies for coercive power items



Furthermore, Table 8.2 shows that the mean for item CP3 is 3.92 and the standard deviation is 1.75. Additionally, the results pertaining skewness and kurtosis are -0.12 and -1.09, respectively. Hence, the distribution for CP3 is potentially symmetrical and platykurtic

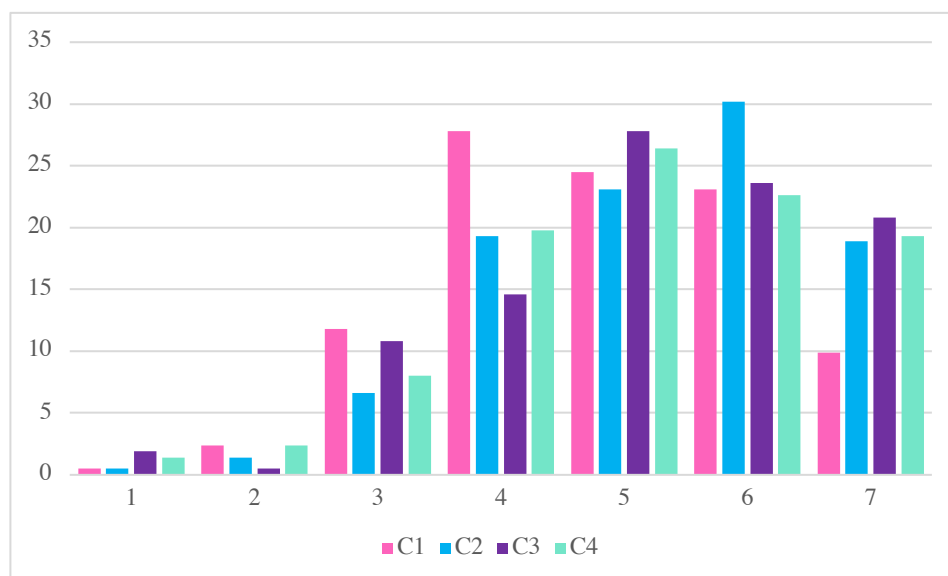
(negative kurtosis), which indicates that the data is not normally distributed. The frequencies for CP3 (see Figure 8.16) show that 10.8% of the sample strongly disagreed, 14.6% mostly disagreed, 15.6% somewhat disagreed, 17.5% were neutral, 17.9% somewhat agreed, 19.3% mostly agreed and 4.2% strongly agreed.

The mean for item CP4 is 3.59, the standard deviation is 1.64, the skewness is -0.10 and the kurtosis is -1.04. Based on these results, the distribution is shaped potentially symmetrical and platykurtic (negative kurtosis), which infers that the data is not normally distributed. Figure 8.16 shows that 15.1% of respondents strongly disagreed, 13.2% mostly disagreed, 18.4% somewhat disagreed, 18.4% were neutral, 22.6% somewhat agreed, 10.8% mostly agreed and 1.4% strongly agreed.

Commitment

In Figure 8.17 the frequencies for scale items pertaining commitment is shown. These frequencies will be discussed in the following section, along with the descriptive statistics regarding measurement items of commitment (see Table 8.2).

Figure 8.17 Frequencies for commitment items



The mean of item C1 is 4.83, the standard deviation is 1.28, the skewness is -0.13 and the kurtosis is -0.51. The distribution shape for C1 is symmetrical and mesokurtic, and thus assumed can be assumed to be not normally distributed. Figure 8.17 shows that 0.5% of

respondents strongly disagreed, 2.4% mostly disagreed, 11.8% somewhat disagreed, 27.8% were neutral, 24.5% somewhat agreed, 23.1% mostly agreed and 9.9% strongly agreed.

Item C2 has a mean of 5.92 and a standard deviation of 1.28. Additionally, results pertaining to skewness and kurtosis are -0.51 and -0.23, respectively. Based on these descriptive statistics, the distribution is asymmetrical and left-skewed, as well as potentially mesokurtic – which indicates that the data is not normally distributed. Figure 8.17 shows the frequencies for commitment scale items, which depicts that 0.5% of respondents strongly disagreed, 1.4% mostly disagreed, 6.6% somewhat disagreed, 19.3% were neutral, 23.1% somewhat agreed, 30.2% mostly agreed and 18.9% strongly agreed.

For item C3, the mean and standard deviations are 5.20 and 1.40, respectively, with a skewness of -0.60 and a kurtosis of 0.33. The distribution of data can thus be characterised as asymmetrical and left-skewed, as well as potentially mesokurtic. Figure 8.17 shows that 1.9% of respondents strongly disagreed, 0.5% mostly disagreed, 10.8% somewhat disagreed, 14.6% were neutral, 27.8% somewhat agreed, 23.6% mostly agreed and 20.8% strongly agreed.

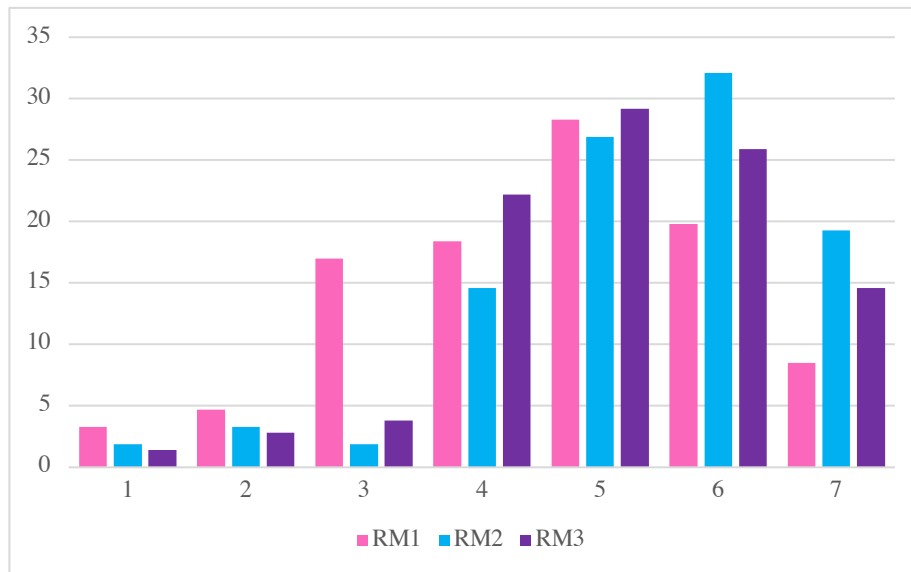
Table 8.2 shows that item C4 has a mean of 5.13, a standard deviation of 1.40, a skewness of -0.50 and a kurtosis of -0.10. The distribution shape can thus be described as asymmetrical and left-skewed, and potentially mesokurtic – which indicates that the data is not normally distributed. Furthermore, Figure 8.17 indicates that 1.4% of sample strongly disagreed, 2.4% mostly disagreed, 8% somewhat disagreed, 19.8% were neutral, 26.4% somewhat agreed, 22.6% mostly agreed and 19.3% strongly agreed.

8.3.2.3 Symptoms of dark side behaviour

In the following section the descriptive statistics for scale items pertaining to dark side symptoms (namely, relational myopia, complacency, vulnerability and suspicion) will be discussed, along with frequency tables for each scale item.

Relational myopia

In Table 8.2 the descriptive statistics for items concerning relational myopia is shown, while Figure 8.18 illustrates the frequencies for items RM1 to RM3.

Figure 8.18 Frequencies for relational myopia items

The mean for item RM1 is 4.57, the standard deviation is 1.48, the skewness is -0.37 and the kurtosis is -0.37. Based on these results, the distribution can be described as asymmetrical and left-skewed, as well as potentially mesokurtic, which consequently indicates that the data is not normally distributed. In Figure 8.18, the frequencies for item RM1 is illustrated and shows that 3.3% of respondents strongly disagreed, 4.7% mostly disagreed, 17% somewhat disagreed, 18.4% were neutral, 28.3% somewhat agreed, 19.8% mostly agreed and 8.5% strongly agreed.

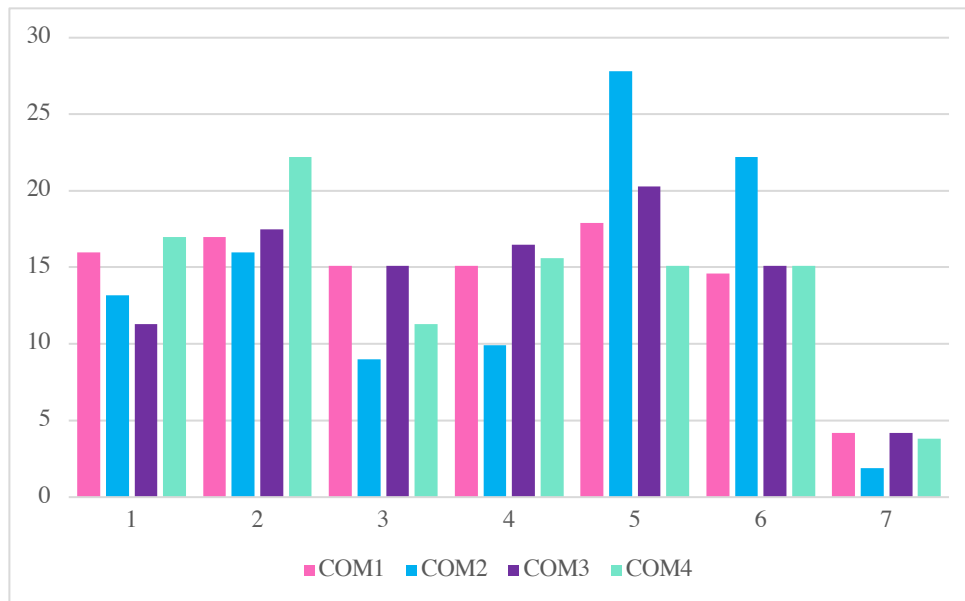
Item RM2 has a mean of 5.35, a standard deviation of 1.34, a skewness of -1.03 and a kurtosis of 1.24. The distribution can thus be described as asymmetrical and left-skewed, as well as leptokurtic (positive kurtosis), which infers that the data is not normally distributed. Figure 8.18 shows that 1.9% of the sample strongly disagreed, 3.3% mostly disagreed, 1.9% somewhat disagreed, 14.6% were neutral, 26.9% somewhat agreed, 32.1% mostly agreed and 19.3% strongly agreed.

Furthermore, the mean of item RM3 is 5.11 and the standard deviation is 1.30. In addition, statistics pertaining skewness and kurtosis are -0.62 and 0.50, respectively. The distribution can hence be described as asymmetrical and left-skewed, as well as potentially mesokurtic – which indicates that the data is not normally distributed. The frequency table (Figure 8.18) for item RM3 shows that 1.4% of the sample strongly disagreed, 2.8% mostly disagreed, 3.8% somewhat disagreed, 22.2% were neutral, 29.2% somewhat agreed, 25.9% mostly agreed and 14.6% strongly agreed.

Complacency

The descriptive statistics for scale items concerning complacency is shown in Table 8.2, whereas the frequencies pertaining responses for items COM1 to COM4 are illustrated in Figure 8.19.

Figure 8.19 Frequencies for complacency items



The mean for item COM1 is 3.63, the standard deviation is 1.82, the skewness is 0.06 and the kurtosis is -1.18. The distribution can thus be described as potentially symmetrical and platykurtic (negative kurtosis), which indicates that the data is not normally distributed. In Figure 8.19, the frequencies for responses concerning item COM1 indicates that 16% of the sample strongly disagreed, 17% mostly disagreed, 15.1% somewhat disagreed, 15.1% were neutral, 17.9% somewhat agreed, 14.6% mostly agreed and 4.2% strongly agreed.

Item COM2 has a mean of 3.97, a standard deviation of 1.81, a skewness of -0.36 and a kurtosis of -1.26. Based on these results, the distribution can be described as asymmetrical and left-skewed, as well as platykurtic (negative kurtosis), which indicates that the data is not distributed. Figure 8.19 shows that 13.2% of the sample strongly disagreed, 16% mostly disagreed, 9% somewhat disagreed, 9.9% were neutral, 27.8% somewhat agreed, 22.2% mostly agreed and 1.9% strongly agreed.

The mean of item COM3 is 3.79 and the standard deviation is 1.74. In addition, results pertaining skewness and kurtosis are -0.03 and -1.10, respectively. The distribution can thus be

described as potentially symmetrical and platykurtic (negative kurtosis), which infers that the data is not normally distributed. The frequencies for item COM3 indicate that 11.3% of the sample strongly disagreed, 17.5% mostly disagreed, 15.1% somewhat disagreed, 16.5% were neutral, 20.3% somewhat agreed, 15.1% mostly agreed and 4.2% strongly agreed.

Furthermore, item COM4 has a mean of 3.5, a standard deviation of 1.84, a skewness of 0.18 and a kurtosis of -1.23. Based on these statistics, the distribution can be described as potentially symmetrical and platykurtic (negative kurtosis). Hence, the data for item COM4 is not normally distributed. In Figure 8.16, the frequencies for COM4 is illustrated and shows that 17% of the sample strongly disagreed, 22.2% mostly disagreed, 11.3% somewhat disagreed, 15.6% were neutral, 15.1% somewhat agreed, 15.1% mostly agreed and 3.8% strongly agreed.

Vulnerability

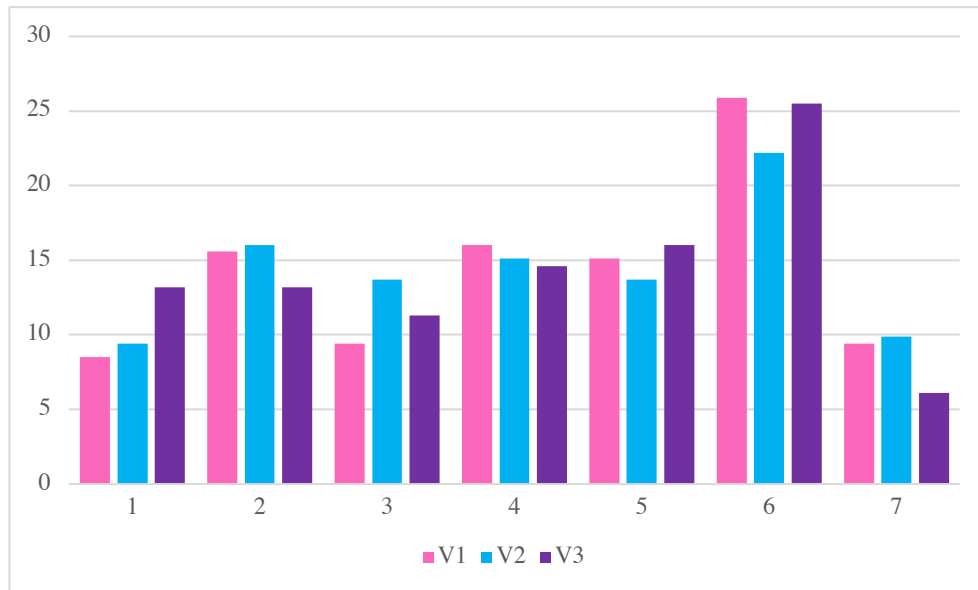
Vulnerability was measured through the use of three scale items, namely V1, V2 and V3. In the following section, descriptive statistics concerning the vulnerability construct (see Table 8.2) will be discussed, along with the frequencies of responses (see Figure 8.20).

The mean for item V1 is 4.29, the standard deviation is 1.86, the skewness is -0.30 and the kurtosis is -1.15. Based on these results, the distribution can be described as potentially symmetrical and platykurtic (negative kurtosis), which indicates that the data is not normally distributed. In Figure 8.20, the frequencies for item V1 shows that 8.5% of respondents strongly disagreed, 15.6% mostly disagreed, 9.4% somewhat disagreed, 16% were neutral, 15.1% somewhat agreed, 25.9% mostly agreed and 9.4% strongly agreed.

Item V2 has a mean of 4.14, a standard deviation of 1.88, a skewness of -0.13 and a kurtosis of -1.22. The distribution can thus be described as potentially symmetrical and platykurtic (negative kurtosis) – which infers that the data is not normally distributed. Figure 8.20 shows that 9.4% of the sample strongly disagreed, 16% mostly disagreed, 13.7% somewhat disagreed, 15.1% were neutral, 13.7% somewhat agreed, 22.2% mostly agreed and 9.9% strongly agreed.

The mean for item V3 is 4.08, the standard deviation is 1.89, the skewness is -0.26 and the kurtosis is -1.22. The distribution can thus be described as potentially symmetrical and platykurtic (negative kurtosis), which indicates that the data is not normally distributed. In Figure 8.20 the frequencies for V3 is illustrated and shows that 13.2% of respondents strongly disagreed, 13.2% mostly disagreed, 11.3% somewhat disagreed, 14.6% were neutral, 16% somewhat agreed, 25.5% mostly agreed and 6.1% strongly agreed.

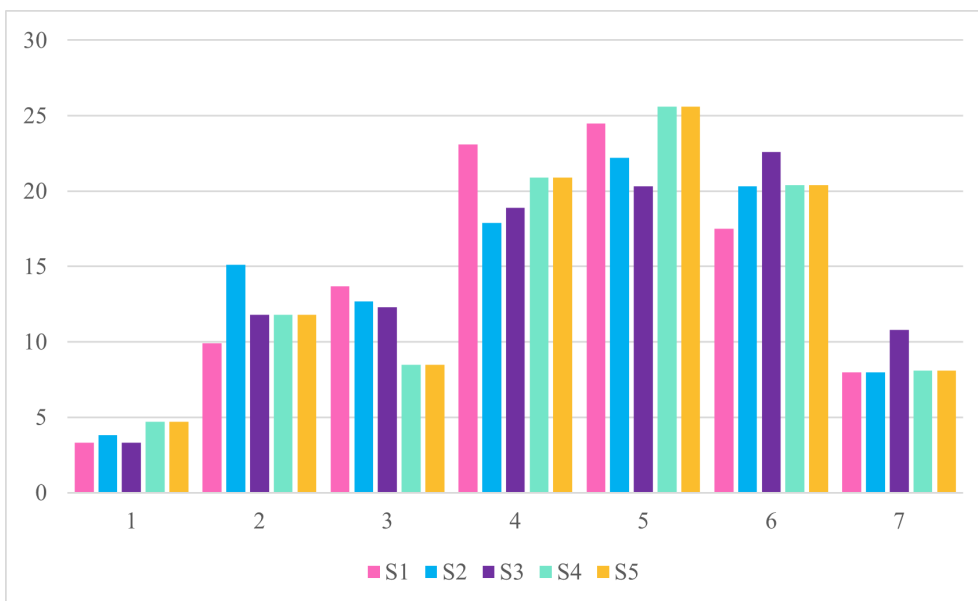
Figure 8.20 Frequencies for vulnerability items



Suspicion

In the following section, the descriptive statistics and frequencies of responses for scale items pertaining suspicion will be discussed. In Table 8.2, the descriptive statistics for the suspicion construct is shown, whereas Figure 8.21 illustrates the relevant frequencies.

Figure 8. 21 Frequencies for suspicion items



The mean for item S1 is 4.40, the standard deviation is 1.53, the skewness is -0.25 and the kurtosis is -0.59. Based on these results, the distribution can be described as potentially symmetrical and mesokurtic, which indicates that the data is not normally distributed. Figure 8.21 shows that 3.3% of respondents strongly disagreed, 9.9% mostly disagreed, 13.7% somewhat disagreed, 23.1% were neutral, 24.5% somewhat agreed, 17.5% mostly agreed and 8% strongly agreed.

Item S2 has a mean of 4.33, a standard deviation of 1.65, a skewness of -0.23 and a kurtosis of -0.94. The shape of the distribution can thus be characterised as potentially symmetrical and platykurtic (negative kurtosis), which infers that the data is not normally distributed. In Figure 8.21, the frequencies for S2 is depicted and shows that 3.8% of respondents strongly disagreed, 15.1% mostly disagreed, 12.7% somewhat disagreed, 17.9% were neutral, 22.2% somewhat agreed, 20.3% mostly agreed and 8% strongly agreed.

The mean of item S3 is 4.52, the standard deviation is 1.65, the skewness is -0.32 and the kurtosis is -0.84. Based on these results, the distribution can be described as potentially symmetrical and platykurtic (negative kurtosis), which indicates that the data is not normally distributed. Figure 8.21 shows that 3.3% of respondents strongly disagreed, 11.8% mostly disagreed, 12.3% somewhat disagreed, 18.9% were neutral, 20.3% somewhat agreed, 22.6% mostly agreed and 10.8% strongly agreed.

Furthermore, item S4 has a mean of 4.44 and a standard deviation of 1.61. Additionally, results pertaining skewness and kurtosis are -0.43 and -0.61, respectively. Thus, the distribution can be described as asymmetrical and left-skewed, as well as potentially mesokurtic – which infers that the data is not normally distributed. Figure 8.21 depicts that 4.7% of respondents strongly disagreed, 11.8% mostly disagreed, 8.5% somewhat disagreed, 20.9% were neutral, 25.6% somewhat agreed, 20.4% mostly agreed and 8.1% strongly agreed.

Item S5 has a mean of 4.23, a standard deviation of 1.56, a skewness of -0.53 and a kurtosis of -0.44. Based on these above-mentioned statistics (see Table 8.2), the distribution can be described as asymmetrical and left-skewed, as well as potentially mesokurtic. Hence, it can be assumed that the data is not normally distributed. The frequency table (Figure 8.21) indicates that 4.7% of respondents strongly disagreed, 11.8% mostly disagreed, 8.5% somewhat disagreed, 20.9% were neutral, 25.6% somewhat agreed, 20.4% mostly agreed and 8.1% strongly agreed.

8.4 TESTS FOR NORMALITY

In the preceding sections, the skewness and kurtosis for each scale item were discussed, along with the shape of the distribution. According to these descriptive statistics (see Table 8.2), it can be assumed that none of the scale items are normally distributed. In Table 8.3, the tests for normality are presented, which includes results of both the Kolmogorov-Smirnov and Shapiro-Wilk tests. To determine the normality of data for the current study, the p-value was compared to the significance level. Hence, a significance level of 0.05 was selected for the current study, indicating that when $p\text{-value} \leq \alpha$, the data does not follow a normal distribution.

In support of the conclusion derived from the results pertaining skewness and kurtosis about the normality of data, Table 8.3 (see next page) shows that the p-values for all scale items are lower than the significance level of 0.05. Therefore, the distribution of data for all scale items is not normal. The non-normality of the data contributed to the decision to use variance based structural equation modelling (SEM) to test theorised relationships between latent variables, as it is deemed to be less sensitive to distributional abnormality (Hair *et al.*, 2017).

8.5 INFERENCE ANALYSIS

SmartPLS software (version 3) was employed to analyse data further, thereby generating inferential statistics (Hair *et al.*, 2017). This section focuses on the reporting of results regarding the measurement model, reliability and validity of measurement items, as well as the structural model and hypothesis testing. The procedure as suggested by Hair *et al.* (2019) was followed. Figure 8.22 below offers a detailed account of the inferential analysis conducted to obtain the results reported in the following part.

Figure 8. 22 Summary of inferential analyses

<u>Measurement Model</u>	<u>Structural Model</u>
<input type="checkbox"/> Outer loadings/cross loadings <input type="checkbox"/> Construct reliability and validity <ul style="list-style-type: none"> ▪ Cronbach's alpha coefficient ▪ Average Variance Extracted (AVE) ▪ Composite reliability <input type="checkbox"/> Discriminant validity <ul style="list-style-type: none"> ▪ Fornell-Larcker criterion ▪ Heterotrait-Monotrait ratio (HTMT) 	<input type="checkbox"/> Collinearity statistics (VIF) <input type="checkbox"/> Coefficient of determination (R ²) <input type="checkbox"/> Predictive accuracy <ul style="list-style-type: none"> ▪ Q²_{predict} values ▪ Root Mean Squared Error (RMSE) ▪ Mean Absolute Error (MAE)

Table 8.3 Tests for normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	Df	Sig.
T1	.148	211	.000	.928	211	.000
T2	.149	211	.000	.950	211	.000
T3	.153	211	.000	.944	211	.000
T4	.197	211	.000	.935	211	.000
C1	.166	211	.000	.935	211	.000
C2	.198	211	.000	.913	211	.000
C3	.167	211	.000	.909	211	.000
C4	.155	211	.000	.920	211	.000
U1	.171	211	.000	.944	211	.000
U2	.170	211	.000	.921	211	.000
U3	.177	211	.000	.941	211	.000
U4	.199	211	.000	.929	211	.000
D1	.166	211	.000	.925	211	.000
D2	.219	211	.000	.905	211	.000
D3	.175	211	.000	.935	211	.000
NP1	.175	211	.000	.932	211	.000
NP2	.173	211	.000	.940	211	.000
NP3	.136	211	.000	.946	211	.000
NP4	.118	211	.000	.949	211	.000
CP1	.157	211	.000	.935	211	.000
CP2	.133	211	.000	.928	211	.000
CP3	.145	211	.000	.931	211	.000
CP4	.152	211	.000	.929	211	.000
FC1	.211	211	.000	.905	211	.000
FC2	.185	211	.000	.917	211	.000
FC3	.181	211	.000	.918	211	.000
DC1	.188	211	.000	.943	211	.000
DC2	.150	211	.000	.943	211	.000
DC3	.159	211	.000	.934	211	.000
DC4	.167	211	.000	.930	211	.000
O1	.188	212	.000	.901	212	.000
O2	.193	212	.000	.936	212	.000
O3	.141	212	.000	.920	212	.000
O4	.158	212	.000	.937	212	.000
SV1	.175	212	.000	.929	212	.000
SV2	.175	212	.000	.929	212	.000
SV3	.176	212	.000	.944	212	.000
SV4	.201	212	.000	.928	212	.000
RM1	.182	211	.000	.939	211	.000
RM2	.200	211	.000	.878	211	.000
RM3	.163	211	.000	.914	211	.000
COM1	.144	211	.000	.925	211	.000
COM2	.235	211	.000	.882	211	.000
COM3	.153	211	.000	.934	211	.000
COM4	.182	211	.000	.913	211	.000
V1	.173	211	.000	.913	211	.000
V2	.158	211	.000	.922	211	.000
V3	.162	211	.000	.908	211	.000
S1	.150	211	.000	.946	211	.000

S2	.163	211	.000	.935	211	.000
S3	.151	211	.000	.934	211	.000
S4	.176	211	.000	.930	211	.000
S5	.188	211	.000	.921	211	.000

a. Lilliefors Significance Correction

Note: T = Trust, C = Commitment, O = Opportunistic behaviour, SV = Shared values, RM = Relational myopia, COM = Complacency, V = Vulnerability, S = Suspicion, U = Uncertainty, D = Dependence, NP = Non-coercive power, CV = Coercive power, FC = Functional conflict, DC = Dysfunctional conflict

8.5.1 The measurement model

The measurement model, employing only reflective measures, yielded mostly satisfactory results, with the exception of the following items: NP1, NP2, O3, O4, RM1, S1, T1, U1 and U2 (see Table 8.4). As these items obtained weak loadings and also cross-loaded on multiple constructs, they were removed in order to ensure that measurement reliability and validity were achieved. Furthermore, the remainder of scale items loaded as expected, and all were significant at the $p < 0.05$ level.

As can be seen from Table 8.4 (see next page), all the remaining items loaded as expected on their associated latent constructs exceeding all corresponding row and column loadings. Therefore, the measurement appears to exhibit satisfactory convergent validity.

8.5.2 Reliability and validity

The construct reliability, convergent validity and discriminant validity for each individual scale item of the measurement instrument were assessed. Construct reliability for each item was determined by the composite reliability, as well as Cronbach's alpha coefficient, while the Average Variance Extracted (AVE) was used to evaluate the convergent validity. Furthermore, the Fornell-Larcker criterion, cross-loadings and Heterotrait-Monotrait ratio (HTMT) were assessed to determine the discriminant validity of scale items.

Construct reliability and validity

In Table 8.5, the results concerning Cronbach's alpha coefficient, composite reliability and Average Variance Extracted (AVE) for each subscale item is presented.

Table 8.4 Construct reliability and validity diagnostics

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Complacency (COM)	0.840	0.891	0.673
Coercive power (CP)	0.914	0.940	0.796
Commitment (C)	0.930	0.950	0.826
Dysfunctional conflict (DC)	0.935	0.954	0.838
Dependence (D)	0.847	0.906	0.762
Functional conflict (FC)	0.779	0.871	0.693
Non-coercive power (NP)	0.837	0.924	0.859
Opportunistic behaviour (O)	0.583	0.823	0.701
Relational myopia (RM)	0.677	0.854	0.746
Shared values (SV)	0.893	0.926	0.757
Suspicion (S)	0.879	0.917	0.733
Trust (T)	0.843	0.895	0.684
Uncertainty (U)	0.720	0.873	0.776
Vulnerability (V)	0.843	0.906	0.764

Table 8.5 Cross-loadings

	COM	CP	C	DC	D	FC	NP	O	RM	SV	S	T	U	V
COM1	0.819	-0.165	-0.002	-0.194	0.073	0.426	-0.186	-0.067	0.035	0.074	-0.314	0.263	-0.079	-0.211
COM2	0.779	-0.144	0.163	-0.098	0.173	0.271	-0.144	-0.080	0.192	0.184	-0.269	0.136	-0.174	-0.229
COM3	0.831	0.093	-0.061	0.103	0.200	0.160	-0.038	0.053	0.019	-0.011	-0.122	0.111	0.001	-0.066
COM4	0.849	0.089	-0.034	-0.066	0.176	0.288	-0.057	0.048	0.077	0.086	-0.207	0.200	-0.008	-0.119
CP1	-0.047	0.844	-0.010	0.317	0.209	-0.237	0.664	0.344	0.088	0.142	0.377	-0.037	0.397	0.392
CP2	-0.051	0.918	-0.065	0.431	0.025	-0.315	0.539	0.410	-0.011	0.037	0.460	-0.154	0.438	0.383
CP3	-0.019	0.938	-0.032	0.433	0.126	-0.281	0.648	0.416	0.032	0.043	0.510	-0.175	0.468	0.420
CP4	-0.013	0.866	-0.127	0.443	0.023	-0.287	0.507	0.341	0.000	0.105	0.398	-0.115	0.367	0.318
C1	0.013	-0.072	0.894	-0.223	0.311	0.372	0.054	-0.140	0.583	0.489	-0.111	0.495	-0.084	-0.204
C2	-0.088	-0.064	0.889	-0.203	0.134	0.226	0.113	-0.148	0.555	0.429	-0.047	0.327	-0.070	-0.102
C3	0.032	-0.058	0.926	-0.225	0.244	0.334	0.123	-0.185	0.582	0.504	-0.096	0.427	-0.115	-0.106
C4	0.059	-0.037	0.926	-0.205	0.260	0.390	0.118	-0.200	0.541	0.592	-0.115	0.460	-0.084	-0.149
DC1	-0.111	0.376	-0.239	0.899	-0.046	-0.363	0.300	0.423	-0.105	-0.089	0.345	-0.272	0.343	0.363
DC2	-0.071	0.472	-0.193	0.928	-0.010	-0.319	0.319	0.470	-0.055	0.000	0.320	-0.255	0.329	0.337
DC3	-0.073	0.372	-0.183	0.910	-0.058	-0.293	0.271	0.435	-0.076	-0.084	0.333	-0.322	0.320	0.262
DC4	-0.068	0.444	-0.245	0.924	-0.097	-0.343	0.300	0.480	-0.059	-0.072	0.349	-0.329	0.298	0.332
D1	0.115	0.076	0.204	0.040	0.836	0.115	0.218	0.110	0.214	0.076	0.077	0.107	0.045	0.086
D2	0.203	0.016	0.249	-0.164	0.885	0.092	0.174	0.036	0.324	0.109	-0.066	0.144	0.050	-0.019
D3	0.155	0.166	0.237	-0.020	0.895	0.116	0.302	0.177	0.242	0.196	0.079	0.264	0.156	0.146
FC1	0.278	-0.233	0.286	-0.130	0.089	0.771	-0.093	-0.124	0.241	0.346	-0.263	0.261	-0.071	-0.315
FC2	0.356	-0.249	0.252	-0.342	0.072	0.874	-0.264	-0.293	0.233	0.310	-0.353	0.493	-0.182	-0.414
FC3	0.266	-0.298	0.380	-0.390	0.145	0.847	-0.182	-0.378	0.265	0.271	-0.376	0.369	-0.270	-0.459
NP1	0.066	0.136	0.524	0.058	0.381	0.270	0.392	-0.029	0.471	0.525	-0.048	0.278	0.109	0.042
NP2	0.116	0.083	0.377	0.145	0.407	0.250	0.341	0.061	0.417	0.271	0.039	0.103	0.158	-0.000
NP3	-0.197	0.573	-0.012	0.316	0.108	-0.297	0.900	0.393	-0.015	0.046	0.570	-0.224	0.376	0.400
NP4	-0.114	0.692	-0.010	0.279	0.226	-0.294	0.901	0.374	0.080	0.119	0.425	-0.100	0.394	0.499
O1	0.005	0.427	-0.112	0.420	0.158	-0.265	0.356	0.902	0.036	0.027	0.333	-0.227	0.317	0.267
O2	-0.059	0.248	-0.183	0.324	0.086	-0.183	0.253	0.717	-0.041	-0.259	0.451	-0.170	0.370	0.288
O3	-0.117	0.036	0.126	-0.140	0.066	0.180	0.002	0.002	0.132	-0.007	0.144	0.035	0.189	-0.070
O4	-0.004	0.025	-0.011	-0.100	0.157	0.225	-0.035	0.083	0.035	-0.112	0.103	0.088	0.099	-0.064
RM1	0.137	0.263	0.105	0.166	0.116	-0.063	0.237	0.262	0.430	0.262	0.139	-0.053	0.266	0.259
RM2	0.047	-0.076	0.673	-0.205	0.301	0.350	0.066	-0.118	0.903	0.497	-0.224	0.308	-0.106	-0.127
RM3	0.091	0.104	0.384	0.076	0.195	0.171	0.179	0.064	0.814	0.464	0.021	0.092	0.225	0.030
SV1	-0.011	0.115	0.483	-0.118	0.115	0.311	0.173	-0.156	0.467	0.839	-0.162	0.397	-0.072	-0.078
SV2	0.127	0.030	0.577	-0.106	0.204	0.376	0.146	-0.092	0.523	0.927	-0.186	0.482	-0.041	-0.150
SV3	0.169	0.151	0.358	0.052	0.141	0.218	0.198	0.048	0.407	0.817	-0.105	0.284	0.012	-0.118
SV4	0.065	0.036	0.486	-0.028	0.076	0.340	0.159	-0.100	0.541	0.894	-0.115	0.342	-0.010	-0.153
S1	-0.119	0.241	-0.166	0.236	0.021	-0.319	0.316	0.354	-0.196	-0.323	0.690	-0.392	0.390	0.464

S2	-0.300	0.480	-0.020	0.225	-0.005	-0.355	0.492	0.346	-0.067	-0.053	0.875	-0.259	0.472	0.497
S3	-0.322	0.361	-0.028	0.257	0.011	-0.306	0.407	0.309	-0.080	-0.080	0.830	-0.244	0.441	0.343
S4	-0.291	0.397	-0.113	0.293	0.064	-0.367	0.397	0.335	-0.116	-0.181	0.871	-0.260	0.473	0.441
S5	-0.106	0.488	-0.118	0.478	0.059	-0.300	0.395	0.435	-0.061	-0.098	0.802	-0.298	0.490	0.337
T1	0.221	-0.128	0.101	-0.329	0.014	0.304	-0.229	-0.242	-0.025	0.003	-0.312	0.651	-0.334	-0.211
T2	0.157	-0.119	0.469	-0.283	0.261	0.431	-0.005	-0.217	0.284	0.417	-0.264	0.852	-0.215	-0.138
T3	0.187	-0.037	0.439	-0.188	0.151	0.371	-0.055	-0.149	0.244	0.494	-0.299	0.880	-0.195	-0.180
T4	0.211	-0.171	0.466	-0.289	0.210	0.400	-0.134	-0.273	0.203	0.436	-0.304	0.900	-0.300	-0.286
U1	0.067	0.369	-0.104	0.254	0.209	-0.137	0.363	0.306	0.047	-0.006	0.389	-0.125	0.667	0.239
U2	0.126	0.283	0.137	0.078	-0.174	0.057	0.145	0.028	0.131	0.168	0.235	-0.039	0.406	0.019
U3	-0.154	0.284	-0.086	0.240	0.022	-0.083	0.241	0.181	0.080	-0.031	0.346	-0.266	0.762	0.174
U4	-0.159	0.336	-0.102	0.308	0.078	-0.302	0.320	0.375	-0.025	-0.115	0.477	-0.329	0.793	0.325
V1	-0.269	0.340	-0.103	0.236	-0.034	-0.457	0.335	0.219	-0.056	-0.090	0.399	-0.245	0.258	0.787
V2	-0.144	0.395	-0.182	0.363	0.104	-0.429	0.452	0.375	-0.021	-0.123	0.499	-0.224	0.323	0.924
V3	-0.091	0.379	-0.118	0.322	0.154	-0.380	0.398	0.320	-0.017	-0.163	0.425	-0.170	0.257	0.904

Firstly, in terms of the evaluation of Cronbach's alpha coefficient of measurement items, literature suggests that a minimum score of 0.6 is acceptable (Hair *et al.*, 2019). As illustrated in the table above, most of the current study's measurement constructs exhibit satisfactory results concerning Cronbach's alpha coefficient – with the exception of opportunistic behaviour (OB).

However, Hair *et al.* (2013) infer that the Cronbach's alpha coefficient may be sensitive to the number of scale items of the measurement instrument and can underestimate the internal consistency reliability. Hence, composite reliability is also assessed in order to determine construct reliability. Table 8.5 indicates that the Composite Reliability score for opportunistic behaviour is 0.823 which suggests that the construct exhibits good validity. All the remaining constructs obtained adequate results concerning composite reliability, as each construct exceeding the 0.7 benchmark (Hair *et al.*, 2017).

Thirdly, the AVE scores are all above the required minimum threshold value of 0.5 (Bagozzi & Yi, 1988), which indicates that each construct achieved convergent validity. In addition, discriminant validity is also supported by the abovementioned AVE scores which are all higher than the 0.5 benchmark (Hair *et al.*, 2017), but a more robust assessment of discriminant validity is offered in the following section.

Discriminant validity

Discriminant validity was further confirmed by the Fornell and Larcker (1981) method and the Heterotrait-Monotrait (HTMT) method (Henseler *et al.*, 2014). The Fornell-Larcker method compares the square root of the AVE in the diagonal with correlation coefficients in the same

row and column for each construct (see Table 8.6). The square root of AVE scores for current research constructs exceed all row and column values, thus suggesting discriminant validity.

Table 8.6 Fornell-Larcker criterion of discriminant validity

	COM	CP	C	DC	D	FC	NP	O	RM	SV	S	T	U	V
COM	0.820													
CP	-0.036	0.892												
C	0.009	-0.064	0.909											
DC	-0.088	0.455	-0.236	0.915										
D	0.183	0.106	0.265	-0.058	0.873									
FC	0.361	-0.314	0.368	-0.359	0.123	0.832								
NP	-0.168	0.681	-0.012	0.322	0.177	-0.318	0.927							
O	-0.025	0.419	-0.166	0.451	0.151	-0.273	0.394	0.836						
RM	0.074	-0.010	0.642	-0.113	0.298	0.322	0.002	-0.038	0.864					
SV	0.097	0.088	0.557	-0.067	0.155	0.367	0.088	-0.105	0.552	0.870				
S	-0.294	0.508	-0.082	0.367	0.037	-0.388	0.535	0.432	-0.119	-0.119	0.856			
T	0.227	-0.138	0.474	-0.322	0.209	0.459	-0.177	-0.241	0.258	0.442	-0.311	0.827		
U	-0.177	0.354	-0.107	0.315	0.062	-0.241	0.334	0.373	-0.017	-0.092	0.473	-0.342	0.881	
V	-0.189	0.426	-0.156	0.354	0.087	-0.481	0.483	0.325	-0.078	-0.144	0.475	-0.244	0.298	0.874

In addition to the Fornell-Larcker criterion and evaluation of cross-loadings, the Heterotrait-Monotrait ratio method, which employs a comparison of the heterotrait-hetermethod correlations and monotrait-monomethod correlations, was also used to assess discriminant validity. Discriminant validity is established between two constructs when the HTMT values are below 0.90 (Teo *et al.*, 2008), or lower than 0.85 as suggested by Kline *et al.* (2011). In Table 8.7, the scores concerning the HTMT assessment are presented, which are all lower than 0.85. Hence, the measurement for the current study exhibits satisfactory discriminant validity.

Table 8.7 HTMT assessment of discriminant validity

	COM	CP	C	DC	D	FC	NP	O	RM	SV	S	T	U	V
COM														
CP	0.170													
C	0.107	0.075												
DC	0.158	0.492	0.252											
D	0.228	0.140	0.292	0.111										
FC	0.430	0.371	0.427	0.403	0.151									
NP	0.201	0.779	0.032	0.363	0.203	0.385								
O	0.105	0.547	0.239	0.599	0.196	0.380	0.549							
RM	0.131	0.131	0.766	0.203	0.377	0.414	0.100	0.182						
SV	0.143	0.120	0.597	0.098	0.164	0.436	0.109	0.266	0.708					
S	0.351	0.559	0.097	0.404	0.097	0.465	0.620	0.621	0.180	0.140				
T	0.266	0.159	0.501	0.373	0.230	0.550	0.221	0.342	0.317	0.479	0.372			
U	0.235	0.430	0.129	0.377	0.086	0.286	0.417	0.556	0.300	0.098	0.579	0.442		
V	0.236	0.483	0.172	0.395	0.159	0.589	0.575	0.466	0.137	0.165	0.547	0.295	0.360	

Note: T = Trust, C = Commitment, O = Opportunistic behaviour, SV = Shared values, RM = Relational myopia, COM = Complacency, V = Vulnerability, S = Suspicion, U = Uncertainty, D = Dependence, NP = Non-coercive power, CV = Coercive power, FC = Functional conflict, DC = Dysfunctional conflict

8.5.3 The structural model

The satisfactory performance of the measurement model allowed for the consideration of the structural model and the hypothesis testing of relationships between constructs. Hence, in the following section, the structural model will be evaluated through the assessment of collinearity statistics, the coefficient of determination (R^2), as well as the predictive accuracy of the PLS model. This section concludes with reporting the results pertaining to the hypothesis testing.

Assessment of collinearity

When assessing the structural model, Hair et al. (2019) recommend that collinearity first be evaluated. Table 8.8 presents the inner VIF values of the structural model. All constructs exhibit VIF values of less than 3, which suggests that the data does not suffer from collinearity issues (Hair et al., 2010; Hair et al., 2019).

Table 8.8 Collinearity statistics

	COM	CP	C	DC	D	FC	NP	O	RM	SV	S	T	U	V
COM														
CP	2.116								2.116		2.116			2.116
C	1.257								1.257		1.257			1.257
DC	1.385								1.385		1.385			1.385
D	1.128								1.128		1.128			1.128
FC	1.382								1.382		1.382			1.382
NP	1.974								1.974		1.974			1.974
O		1.182		1.182	1.182	1.182	1.182							
RM														
SV		1.249	1.243	1.249	1.249	1.249	1.249							
S														
T		1.418	1.243	1.418	1.418	1.418	1.418							
U		1.267		1.267	1.267	1.267	1.267							
V														

Note: T = Trust, C = Commitment, O = Opportunistic behaviour, SV = Shared values, RM = Relational myopia, COM = Complacency, V = Vulnerability, S = Suspicion, U = Uncertainty, D = Dependence, NP = Non-coercive power, CV = Coercive power, FC = Functional conflict, DC = Dysfunctional conflict

**Note: Table 8.8 contains inner VIF values*

Coefficient of determination (R^2)

In addition to the evaluation of collinearity statistics, the coefficient of determination was also assessed in order to determine the statistical power of the structural model. The R^2 scores were

evaluated according to Cohen's (1988) criteria, which indicates that most constructs obtained a score between 0 and 3 and thus possess "weak" statistical power. However, results concerning the constructs of commitment (C), relational myopia (RM), suspicion (S) and vulnerability (V) reside between the threshold of 0.3 and 0.5, indicating medium statistical power.

Table 8.9 Coefficient of determination (R^2)

	R Square	R Square Adjusted
COM	0.207	0.184
CP	0.244	0.229
C	0.375	0.369
DC	0.267	0.253
D	0.097	0.080
FC	0.274	0.260
NP	0.226	0.211
RM	0.444	0.427
S	0.378	0.360
V	0.375	0.357

Predictive accuracy

The predictive accuracy of the structural model was evaluated by inspecting the Q^2_{predict} values in the PLSpredict procedure (see Table 8.10). According to Hair et al. (2019), a positive Q^2_{predict} value indicates that the PLS path model's prediction error is smaller than the prediction error given by the (most) naïve benchmark. Thus, a Q^2_{predict} value of zero or less suggests that the predictive power of the PLS-SEM analysis for that indicator does not outperform even the most naïve benchmark (Hair *et al.*, 2019). All dependent construct indicators reported a positive Q^2_{predict} value of more than 0, with the exception of COM3, D1 and D2. Furthermore, Q^2_{predict} values higher than 0, 0.25 and 0.5, respectively, represent small, medium and large predictive accuracy. The majority of dependent construct indicators presented in Table 8.10 offer small predictive accuracy, with C1, C2 and C4 indicating medium predictive accuracy.

Table 8.10 Predictive accuracy

Dependent construct indicators	Q^2_{predict}	PLS Model		Linear Model	
		RMSE	MAE	RMSE	MAE
COM2	0.014	1.799	1.592	1.737	1.469
COM3	-0.001	1.746	1.499	1.792	1.531
COM4	0.022	1.824	1.597	1.846	1.557
COM1	0.037	1.787	1.552	1.820	1.503
CP2	0.187	1.594	1.314	1.572	1.254
CP4	0.122	1.541	1.296	1.533	1.264
CP3	0.185	1.582	1.327	1.623	1.302
CP1	0.162	1.591	1.306	1.629	1.314
C4	0.379	1.103	0.851	1.111	0.884
C2	0.183	1.162	0.911	1.199	0.963
C3	0.291	1.183	0.899	1.203	0.945
C1	0.317	1.062	0.830	1.074	0.844
DC2	0.187	1.466	1.189	1.504	1.218
DC4	0.218	1.472	1.169	1.520	1.204
DC1	0.152	1.322	1.039	1.344	1.063
DC3	0.190	1.441	1.147	1.505	1.204

D1	-0.006	1.748	1.474	1.764	1.465
D3	0.110	1.642	1.348	1.704	1.359
D2	-0.015	1.780	1.466	1.760	1.420
FC3	0.174	1.467	1.198	1.485	1.217
FC2	0.224	1.595	1.300	1.609	1.293
FC1	0.083	1.284	1.006	1.293	1.024
NP4	0.162	1.522	1.201	1.549	1.217
NP3	0.166	1.482	1.235	1.541	1.262
RM3	0.136	1.212	0.932	1.164	0.860
RM2	0.215	1.194	0.889	1.226	0.911
S2	0.177	1.503	1.253	1.520	1.211
S3	0.165	1.508	1.260	1.520	1.204
S4	0.166	1.472	1.183	1.432	1.126
S5	0.205	1.387	1.128	1.360	1.091
V1	0.073	1.794	1.515	1.847	1.549
V3	0.090	1.806	1.526	1.828	1.522
V2	0.145	1.746	1.456	1.819	1.467

Furthermore, the PLSpredict procedure also generates Root Mean Squared Error (RMSE), as well as Mean Absolute Error (MAE) statistics for dependent construct indicators, applied to the theorised PLS model and a system generated linear model. According to Hair et al. (2019), researchers can compare the RMSE and MAE values between the two models as further assessment of its predictive power. It is thus recommended that researchers should primarily use the RMSE, unless the prediction error distribution is highly non-symmetric, in which case MAE would be a more appropriate prediction statistic (Hair *et al.*, 2019). From Table 8.10 it is clear that, for the minority of the cases, RMSE values are higher for the linear model, thus suggesting the PLS model exhibits medium predictive power. However, when comparing MAE values, Table 8.10 shows that the minority of dependent construct indicators produce lower PLS-SEM prediction errors compared to the naïve LM benchmark – which signifies that the model has a low predictive power.

Structural model and hypothesis testing

The satisfactory results obtained from the assessment of collinearity, coefficient of determination and predictive accuracy evaluation facilitate the final consideration of the hypotheses. Table 8.11 encompasses the results concerning the structural model and hypothesis testing, as well as whether direct relationships between constructs are supported or not.

Table 8.11 Hypothesis testing

Hypothesis	Relationship	Original sample	T-statistic	P-value	Results
H1	T → FC	0,310	3,635	0,000	Supported
H2	T → DC	-0,236	3,619	0,000	Supported
H3	T → NP	-0,121	1,876	0,061	Not supported
H4	T → CP	-0,054	0,824	0,410	Not supported
H5	T → D	0,251	3,002	0,003	Supported
H6	T → C	0,286	3,831	0,00	Supported

H7	SV → FC	0,208	2,698	0,007	Supported
H8	SV → DC	0,086	1,333	0,183	Not supported
H9	SV → NP	0,193	2,771	0,006	Supported
H10	SV → CP	0,169	2,200	0,028	Supported
H11	SV → D	0,072	0,949	0,343	Not supported
H12	SV → C	0,428	7,610	0,000	Supported
H13	OB → FC	-0,153	2,010	0,045	Supported
H14	OB → DC	0,363	5,051	0,000	Supported
H15	OB → NP	0,313	4,279	0,000	Supported
H16	OB → CP	0,339	5,074	0,000	Supported
H17	OB → D	0,187	2,194	0,028	Supported
H18	OB → C	-0,073	1,117	0,264	Not supported
H19	U → FC	-0,058	0,912	0,362	Not supported
H20	U → DC	0,107	1,487	0,137	Not supported
H21	U → NP	0,193	2,515	0,012	Supported
H22	U → CP	0,225	3,088	0,002	Supported
H23	U → D	0,084	0,956	0,339	Not supported
H24	U → C	0,057	0,811	0,417	Not supported
H25	FC → RM	0,120	1,835	0,067	Not supported
H26	FC → COM	0,397	5,230	0,000	Supported
H27	FC → V	-0,332	4,341	0,000	Supported
H28	FC → S	-0,202	2,998	0,003	Supported
H29	DC → RM	0,065	1,067	0,286	Not supported
H30	DC → COM	0,002	0,021	0,983	Not supported
H31	DC → V	0,114	1,475	0,140	Not supported
H32	DC → S	0,121	1,611	0,107	Not supported
H33	NP → RM	-0,023	0,336	0,737	Not supported
H34	NP → COM	-0,219	2,186	0,029	Supported
H35	NP → V	0,279	3,509	0,00	Supported
H36	NP → S	0,313	3,351	0,001	Supported
H37	CP → RM	0,036	0,512	0,609	Not supported
H38	CP → COM	0,204	1,982	0,048	Supported
H39	CP → V	0,070	0,877	0,381	Not supported
H40	CP → S	0,181	1,958	0,050	Supported
H41	D → RM	0,133	2,223	0,026	Supported
H42	D → COM	0,199	2,704	0,007	Supported
H43	D → V	0,083	1,327	0,185	Not supported
H44	D → S	-0,017	0,267	0,789	Not supported
H45	C → RM	0,580	10,590	0,00	Supported
H46	C → COM	-0,178	2,320	0,020	Supported
H47	C → V	-0,022	0,301	0,763	Not supported
H48	C → S	0,041	0,777	0,437	Not supported

Note: T = Trust, C = Commitment, O = Opportunistic behaviour, SV = Shared values, RM = Relational myopia, COM = Complacency, V = Vulnerability, S = Suspicion, U = Uncertainty, D = Dependence, NP = Non-coercive power, CV = Coercive power, FC = Functional conflict, DC = Dysfunctional conflict

As presented in the table above, more than 50% of the hypotheses tested in the current study were supported at the $p < 0.05$ confidence level, with H40 approaching significance. In addition to results pertaining hypothesis testing, Tables 8.12 and 8.13 show the specific indirect effects of relationships measured in the structural model. It is, however, clear that the majority of indirect effects between constructs were not supported.

Table 8.12 Mediating effects

Relationship	Original sample	T-statistic	P-value	Results
OB → C → COM	0,013	0,873	0,383	Not supported
SV → C → COM	-0,076	2,148	0,032	Supported
T → C → COM	-0,051	2,160	0,031	Supported
U → C → COM	-0,010	0,742	0,458	Not supported
OB → CP → COM	0,069	1,713	0,087	Not supported
SV → CP → COM	0,034	1,406	0,160	Not supported
T → CP → COM	-0,011	0,690	0,490	Not supported
U → CP → COM	0,046	1,692	0,091	Not supported
OB → D → COM	0,037	1,556	0,120	Not supported
SV → D → COM	0,014	0,842	0,400	Not supported
T → D → COM	0,05	1,954	0,051	Not supported
U → D → COM	0,017	0,832	0,406	Not supported
OB → DC → COM	0,001	0,021	0,983	Not supported
SV → DC → COM	0,000	0,017	0,986	Not supported
T → DC → COM	0,000	0,02	0,984	Not supported
U → DC → COM	0,000	0,017	0,986	Not supported
OB → FC → COM	-0,061	1,827	0,068	Not supported
SV → FC → COM	0,082	2,358	0,018	Supported
T → FC → COM	0,123	2,894	0,004	Supported
U → FC → COM	-0,023	0,868	0,386	Not supported
OB → NP → COM	-0,069	2,010	0,045	Supported
SV → NP → COM	-0,042	1,753	0,08	Not supported
T → NP → COM	0,026	1,368	0,171	Not supported
U → NP → COM	-0,042	1,443	0,149	Not supported
OB → C → RM	-0,042	1,105	0,269	Not supported
SV → C → RM	0,249	5,86	0,000	Supported
T → C → RM	0,166	3,732	0,000	Supported
U → C → RM	0,033	0,818	0,413	Not supported
OB → CP → RM	0,012	0,502	0,616	Not supported
SV → CP → RM	0,006	0,455	0,649	Not supported
T → CP → RM	-0,002	0,297	0,767	Not supported
U → CP → RM	0,008	0,467	0,640	Not supported
OB → D → RM	0,025	1,559	0,119	Not supported
SV → D → RM	0,010	0,740	0,459	Not supported
T → D → RM	0,033	2,044	0,041	Supported
U → D → RM	0,011	0,825	0,409	Not supported
OB → DC → RM	0,024	1,038	0,299	Not supported
SV → DC → RM	0,006	0,701	0,484	Not supported
T → DC → RM	-0,015	0,946	0,344	Not supported
U → DC → RM	0,007	0,691	0,490	Not supported
OB → FC → RM	-0,018	1,264	0,206	Not supported
SV → FC → RM	0,025	1,335	0,182	Not supported
T → FC → RM	0,037	1,736	0,083	Not supported
U → FC → RM	-0,007	0,730	0,465	Not supported
OB → NP → RM	-0,007	0,320	0,749	Not supported
SV → NP → RM	-0,004	0,312	0,755	Not supported
T → NP → RM	0,003	0,285	0,776	Not supported
U → NP → RM	-0,004	0,301	0,763	Not supported
OB → C → S	-0,003	0,526	0,599	Not supported
SV → C → S	0,017	0,773	0,440	Not supported
T → C → S	0,012	0,751	0,452	Not supported
U → C → S	0,002	0,407	0,684	Not supported
OB → CP → S	0,061	1,753	0,080	Not supported
SV → CP → S	0,031	1,497	0,135	Not supported
T → CP → S	-0,010	0,704	0,482	Not supported
U → CP → S	0,041	1,446	0,148	Not supported
OB → D → S	-0,003	0,240	0,810	Not supported
SV → D → S	-0,001	0,172	0,863	Not supported
T → D → S	-0,004	0,252	0,801	Not supported
U → D → S	-0,001	0,187	0,852	Not supported
OB → DC → S	0,044	1,576	0,115	Not supported

SV → DC → S	0,010	0,888	0,374	Not supported
T → DC → S	-0,029	1,333	0,183	Not supported
U → DC → S	0,013	0,869	0,385	Not supported
OB → FC → S	0,031	1,621	0,105	Not supported
SV → FC → S	-0,042	1,927	0,054	Not supported
T → FC → S	-0,062	2,079	0,038	Supported
U → FC → S	0,012	0,819	0,413	Not supported
OB → NP → S	0,098	2,247	0,025	Supported
SV → NP → S	0,060	2,122	0,034	Supported
T → NP → S	-0,038	1,590	0,112	Not supported
U → NP → S	0,060	1,984	0,047	Supported
OB → C → V	0,002	0,218	0,827	Not supported
SV → C → V	-0,009	0,298	0,766	Not supported
T → C → V	-0,006	0,287	0,774	Not supported
U → C → V	-0,001	0,183	0,854	Not supported
OB → CP → V	0,024	0,840	0,401	Not supported
SV → CP → V	0,012	0,785	0,433	Not supported
T → CP → V	-0,004	0,457	0,648	Not supported
U → CP → V	0,016	0,769	0,442	Not supported
OB → D → V	0,016	1,137	0,256	Not supported
SV → D → V	0,006	0,625	0,532	Not supported
T → D → V	0,021	1,190	0,234	Not supported
U → D → V	0,007	0,652	0,515	Not supported
OB → DC → V	0,041	1,378	0,168	Not supported
SV → DC → V	0,010	0,921	0,357	Not supported
T → DC → V	-0,027	1,366	0,172	Not supported
U → DC → V	0,012	0,907	0,364	Not supported
OB → FC → V	0,051	1,698	0,089	Not supported
SV → FC → V	-0,069	2,228	0,026	Supported
T → FC → V	-0,103	2,512	0,012	Supported
U → FC → V	0,019	0,844	0,399	Not supported
OB → NP → V	0,087	2,894	0,004	Supported
SV → NP → V	0,054	2,117	0,034	Supported
T → NP → V	-0,034	1,757	0,079	Not supported
U → NP → V	0,054	1,796	0,073	Not supported

Note: T = Trust, C = Commitment, O = Opportunistic behaviour, SV = Shared values, RM = Relational myopia, COM = Complacency, V = Vulnerability, S = Suspicion, U = Uncertainty, D = Dependence, NP = Non-coercive power, CV = Coercive power, FC = Functional conflict, DC = Dysfunctional conflict

8.6 CONCLUSION

In conclusion, it is clear that the results for the current study were mostly satisfactory according to the benchmarks stipulated in existing literature. Proper analytical protocol was followed in order to ensure data is consistent and free of any errors, as well as that reliability and validity of measurement items were achieved. According to the results concerning skewness and kurtosis, as well as the tests for normality, the data for the current research is not normally distributed – which supports the use of PLS-SEM measures as it can adequately analyse non-normal distributions (Hair *et al.*, 2019). Furthermore, after scale items with low outer loadings were removed, all model constructs reported satisfactory results concerning reliability and

validity. The structural model was initially evaluated by assessing the coefficient of determination, as well as ensuring there were no collinearity issues with the data. PLSpredict was also used to generate results regarding the predictive accuracy of the structural model. Most Q^2_{predict} values were satisfactory, and the majority of RSME values of the PLS model were lower than the prediction errors of the LM model – thus, indicating medium predictive accuracy (Hair *et al.*, 2019). Lastly, the final consideration of the structural model indicated that more than 50% of the hypotheses were supported at the confidence level of $p < 0.05$, indicating that the model can potentially explain the onset of dark side behaviour in business-to-business relationships.

CHAPTER 9: CONCLUSIONS AND IMPLICATIONS

9.1 INTRODUCTION

Relationships – especially business relationships – are often described as either positive or negative (Abosag *et al.*, 2016). Traditionally, positive relationships are often seen as constructive and desirable, characterised by high levels of trust and commitment (Abosag *et al.*, 2016; Baker, 2009). Negative relationships, on the other hand, are usually referred to as relationships lacking in trust, and where issues are present which can ultimately cause harm to involved parties (Anderson & Jap, 2005). However, Abosag *et al.* (2016) argue that a relationship should be perceived as neither positive nor negative, but rather as something that entails both positive and negative elements. In other words, even though every relationship has a negative side, the proper management thereof can prevent tolerable detrimental elements from becoming intolerable forces that can damage the partnership (Abosag *et al.*, 2016). Therefore, this study investigates the manifestation of dark side behaviour in business-to-business relationships in order to better understand how to manage this phenomenon when it emerges within a partnership.

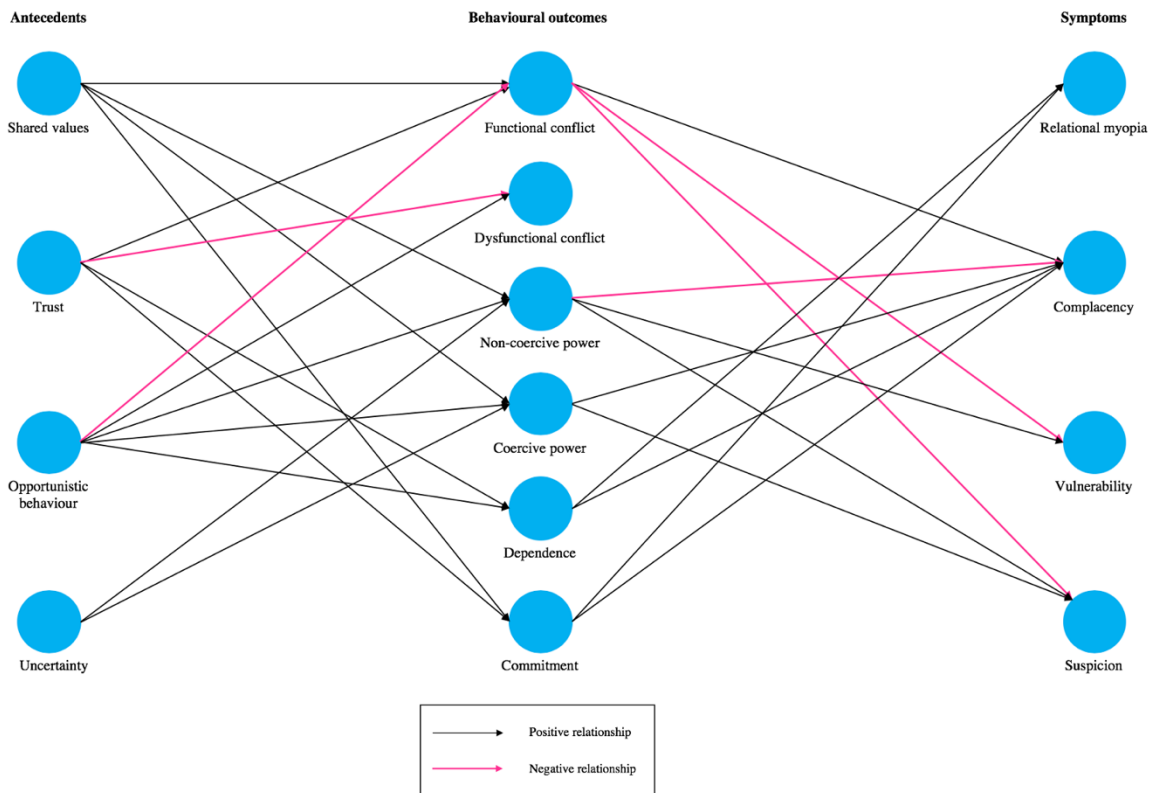
In this chapter, the findings of the current study are discussed by drawing from literature to form conclusions pertaining to the associations that were reflected in the results and reported in Chapter 8. First, the associations between antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty) and behavioural outcomes (i.e. conflict, power, dependence and commitment) of the dark side of business relationship are discussed. Secondly, findings concerning the links between these behavioural outcomes and dark side symptoms (i.e. relational myopia, complacency, vulnerability and suspicion) are considered. Lastly, in addition to discussions regarding the key findings of the study, additional results concerning mediation effect are included and examined in order to provide a better understanding of how dark side behaviour can manifest in particular circumstances. Furthermore, this chapter acknowledges the limitations of the study, and provides recommendations for future studies concerning the dark side of business relationships.

9.2 DISCUSSION OF RESULTS

In this section the results obtained in the current study are discussed by, firstly, indicating the acceptance or rejection of the null hypothesis and, secondly, discussing the relationship

between constructs and how it corresponds with existing literature. Figure 9.1 depicts the positive and negative associations found upon testing the conceptual model and represents a summary of the discussion that follows. This section will proceed with a discussion of findings regarding the relationships between antecedents and behavioural outcomes of dark side behaviour. This is followed by examining and explaining the results concerning linkages between behavioural outcomes and symptoms. Lastly, additional results are reported and discussed, including significant mediating effects found during data analysis.

Figure 9.1 Supported relationships between constructs



9.2.1 The association between antecedents and behavioural outcomes of dark side behaviour in business relationships

In this section the acceptance or rejection of the hypotheses concerning the relationship between antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty) and behavioural outcomes (i.e. conflict, power, dependence and commitment) of the dark side of business relationships is examined. The results obtained in the current study are discussed by drawing from existing literature in order to better explain how the abovementioned antecedents can

translate into the selected behavioural outcomes, which can eventually result in symptoms of dark side behaviour.

Trust and functional conflict

The first hypothesis (H1) involves the relationship between trust and functional conflict. According to results, a p-value of $<0,05$ is obtained, which indicates that H1 is supported and signifies that trust can affect functional conflict in business relationships. Additionally, the original sample statistic (Beta coefficient) shows that trust and functional conflict are positively correlated, indicating a positive relationship between the constructs. This is consistent with the findings of previous studies (e.g. Morgan & Hunt, 1994; Wu, Weng & Huang, 2012; Kalafatis & Miller, 1997; Graça & Barry, 2019; Chung, Sternquist & Chen, 2006; Massey & Dawes, 2007).

In their pivotal work regarding relationship marketing, Morgan and Hunt (1994) found a positive relationship between trust and functional conflict, which served as the foundation for future studies regarding the association between these constructs. Several researchers (e.g. Wu *et al.*, 2012; Graça & Barry, 2019; Massey & Dawes, 2007) argue that in any conflict situations, or situations characterised by differing opinions, partners who trust one another will be more willing to resolve the conflict through communication and will use a constructive thinking model to facilitate cooperation. In other words, they may use sincerity and communication, rather than argument, to enhance the efficiency of the relationship (Wu *et al.*, 2012). Similarly, Morris and Cadogan (2001) maintain that trust can prevent a hasty or premature rupture in relationships which may result in conflict. High levels of trust within a partnership can help resolve harmful conflict as parties are more likely to retain confidence in their partners' reliability and integrity, and might feel more inclined to resolve issues constructively (Morgan & Hunt, 1994; Anderson & Jap, 2005). In addition, when business partners trust one another, they are usually more inclined to accept stated disagreements at face value and to resolve them accordingly, and also less likely to misinterpret conflict scenarios (Mishra, 1996). Thus, higher levels of trust within a business relationship can result in higher levels of functional conflict.

Trust and dysfunctional conflict

The hypothesis (H2) offered in order to determine whether there is a relationship between trust and dysfunctional conflict is supported ($p < 0,05$). The original sample statistic, however,

indicates that trust and dysfunctional conflict are negatively correlated. This negative relationship between trust and dysfunctional conflicts corresponds with existing literature. Simons and Peterson (2000) claim that when partners don't trust each other, they are more likely to interpret the ambiguous behaviours of others negatively, as well as to justify the resulting conflict as a plausible explanation for their actions. Other researchers (e.g. Morgan & Hunt, 1994; Anderson & Narus, 1990; Moorman *et al.*, 1993) also found that low levels of trust within a business relationship can result in the lack of confidence in a partner's competence, credibility, goodwill and their intentions to act and make decisions for of mutual benefit. Therefore, lower levels of trust within a partnership can result in higher levels of dysfunctional conflict. According to Mishra (1996) and Pfajar *et al.* (2017), when partners do not trust one another enough, they are less likely to accept disagreements and, because they are uncertain of their partner's true motives, more inclined to misinterpret the situation. The resulting strong disagreements and underlying emotions can translate into frustration and hostile behaviour, which can severely damage the relationship.

Trust and non-coercive power

The hypothesis (H3) that addresses the relationship between trust and non-coercive power was not supported ($p > 0,05$). Although literature infer that it is possible that the level of trust in a relationship can affect the decision to exercise non-coercive power, studies predominantly suggest the reverse - that the use of non-coercive power is more likely to influence the level of trust among parties. For example, Schilke *et al.* (2015) found that intense power inequality can cause trust to decrease in a social exchange. But others (e.g. Abolhasanpour *et al.*, 2011; Pulles *et al.*, 2014) indicated more specifically that non-coercive forms of power can, in fact, enhance the level of trust between partners. Liu *et al.* (2010) and Jain *et al.* (2014) also maintain that non-coercive power can foster a high degree of agreement, which may subsequently support effective communication and information sharing, along with increased partner credibility. However, trust does not necessarily affect the decision of parties to exercise non-coercive power, as trust is more likely to be affected by a condition of pre-established power inequality that is either present from the start, or surfaces as the relationship develops. Thus, in the specific context of the current study, the results indicate that trust does not affect the use of non-coercive power in business relationships.

Trust and coercive power

The hypothesis (H4) proposed to investigate the relationship between trust and coercive power is not supported ($p > 0,05$). Similar to the case of trust and non-coercive power, literature suggests that trust can possibly affect the use of coercive power in a relationship. For instance, when trust is low, parties might lack confidence in their partners' competence, as well as question their integrity. Consequently, disagreements can occur which can push more powerful partners to use coercive forms of power in order get their partners to do something they would not have otherwise done (Jain *et al.*, 2014). However, the results obtained indicate that trust does not have an effect on the degree of coercive power within the specific context of the current study. The decision to use coercive power within a relationship might not necessarily affect the level of trust, but rather the situation regarding the decision to opportunistically use power inequalities to influence partners. In other words, although trust may not influence the degree of coercive power in a partnership, it is possible that coercive power can influence the level of trust between partners.

Trust and dependence

The hypothesis (H5) proposing that there is a relationship between trust and dependence is supported ($p < 0,05$) and, according to the relevant original sample statistics, is positive. Although literature addressing the direct effect of trust on dependence is limited, it is possible to draw from previous studies that investigate trust and dependence within a business-to-business context. Schmitz *et al.* (2016) infer that, when partners trust each other, they often are more inclined to rely confidently on their partners and to invest in the relationship. Parties are also more willing to share information and resources with partners when there is trust in the relationship (Morgan & Hunt, 1994) which, in turn, can cause parties to become more dependent on one another in order to achieve objectives and conduct business operations. In other words, trust can encourage firms to work together and share important resources, resulting in the "entwinement" of their business, and causing them to become more reliant on each other and their combined efforts to perform and achieve objectives. Thus, higher levels of trust in a relationship can lead to higher levels of dependence between parties.

Trust and commitment

The hypothesis (H6) is supported because a significant ($p < 0,05$) relationship between trust and commitment was observed. The original sample statistic also indicates that the relationship between trust and commitment is positive. This result is similar to the findings of previous studies that reported a positive relationship between trust and commitment (e.g. Morgan & Hunt, 1994; Svensson *et al.*, 2010; Human & Naudé, 2014; Chen, Yen, Rajkumar & Tomochko, 2010; Hashim & Tan, 2015). Morgan and Hunt (1994) referred to trust as a major determinant of commitment, inferring that no commitment is consummated unless parties feel that they can trust their partners. When a partnership is characterised by high levels of trust, firms may be more confident that their partners will not act opportunistically (Roberts-Lombard *et al.*, 2017) and they might therefore be more willing to invest in the maintenance and development of the relationship (Morgan & Hunt, 1994; Hashim & Tan, 2015; Zabkar & Brencic, 2004). In other words, when partnering firms trust one another, they will more likely have a strong intention to maintain their relationship.

Shared values and functional conflict

The current study hypothesises that there is a relationship between shared values and functional conflict (H7). Results indicate that H7 obtained a p-value of 0.007 and an original sample statistic of 0.208. Thus, H7 is supported and the relationship between shared values and functional conflict is positive. Although there is a lack of literature that investigates the direct association between shared values and functional conflict, several authors (e.g. Yandle & Blythe, 2000; Abosag *et al.*, 2015; Skarmeas, 2006; Johnsen & Lacoste, 2016) infer that shared values can influence the degree of functional conflict within a partnership. When a relationship is characterised by a substantial amount of shared values, parties are more likely to think the same way and share similar perspectives regarding their relationship and its dynamics (Baker, 2009). Subsequently, shared values can lead to better communication and improved cooperation – which, in turn, can result in functional conflict. In other words, the more partners trust each other, the higher the degree of functional conflict within a relationship.

Shared values and dysfunctional conflict

The hypothesis (H8) offered in order to determine whether there is a relationship between shared values and dysfunctional conflict is not supported ($p > 0,05$). In other words, the amount

of shared values in a relationship does not affect the degree of dysfunctional conflict. While it is possible that high levels of shared values can help with conflict resolution (Haugh & McKee, 2003), in the context of this study, there was no relationship found between shared values and dysfunctional conflict. Business partners might think the same way, as well as have similar perspectives regarding their partnership and its dynamics, but that doesn't safeguard the relationship from harmful disturbances and aggressive disagreements (Svensson, 2002). Sometimes a situation presents itself and causes dysfunctional conflict to appear in a relationship characterised by high levels of trust, commitment and shared values (Johnsen & Lacoste, 2016). In this case, the dysfunctional conflict is not influenced by the level of shared values but is rather the result of a disturbance or an issue, which, despite the relational compatibility and stability of the relationship, causes severe conflict among parties. Thus, similar to stable personal relationships that experience periods of conflict because of individual issues (e.g. frustration, irritation, stress, etc.), strong business relationships may experience dysfunctional conflict that is not related to positive relationships drivers (e.g. trust, commitment, shared values, satisfaction, etc.).

Shared values and non-coercive power

The hypothesis (H9) that investigates the relationship between shared values and non-coercive power is supported ($p < 0,05$), and the original sample statistic indicates that these constructs are positively correlated. When business partners have a high level of shared values among them, the more powerful firm might choose to exercise non-coercive forms of power when they want to bring about change or encourage their partners to act in a specific manner (Johnsen & Lacoste, 2016; Rehme *et al.*, 2016; Schilke *et al.*, 2015). Additionally, higher shared values can also allow parties to become more accepting of their partners' use of non-coercive power as they have a better understanding of their intentions and rationale behind their actions (Johnsen & Lacoste, 2016). In other words, when parties think the same way and share similar perspectives, they will be more inclined to use non-coercive measures to influence and encourage counterparties to act in way they would not have otherwise, in order to achieve certain objectives. Thus, higher levels of shared values can encourage the use of non-coercive forms of power in business relationships.

Shared values and coercive power

The current study also hypothesised (H10) that there is a relationship between shared values and coercive power. Results indicate that H10 is supported ($p < 0.05$) and that there is a positive relationship between shared values and coercive power. Although the literature may infer that low levels of shared values are more likely to result in the use of coercive power, the current study found that a substantial amount of shared values among parties can actually encourage the decision to exercise coercive power. This echoes the work of several authors (e.g. Baker, 2009; Anderson & Jap, 2005; Skinner, Dietz & Weibel, 2014; Miocevic, 2020; Abosag *et al.*, 2015) who infer that high levels of positive relationship drivers (e.g. trust, commitment, shared values, etc.) can disable firms from recognising misbehaviour or hidden agendas. For example, when parties confidently believe themselves to be on same page, opportunities for manipulation and exploitation can arise. Thus, excessive levels of shared values can result in the use of coercive power in order to opportunistically change the behaviour of partners. In other words, the “blinding” effect of shared values (i.e. the acceptance of misbehaviour that accompany excessive levels of positive relational drivers) can encourage firms to exploit the relationship for their own benefit, without consequence or being persecuted by partners. In addition, an excessive amount of shared values can make firms more accepting of manipulation and aggressive power plays, as they misguidedly believe that, due to being on the same page, their partners will always emphasise mutual benefit and ethical behaviour.

Shared values and dependence

The hypothesis (H11) presented to explore whether shared values can influence the degree of dependence in a business relationship was not supported ($p > 0.05$). Although the literature suggests that shared values can potentially affect the development of dependence within a partnership, in the specific context of the current study no significant relationship was found between these constructs. Anderson and Jap (2005), along with Baker (2009), imply that relational drivers can result in business partners becoming more dependent on one another as high levels of trust, commitment and shared values may encourage firms to share information and resources – which, in turn, can result in asymmetric or symmetric dependency. However, it is also possible that shared values can have no effect on the emergence of dependence in a relationship – especially when the partners do not emphasise the development of relational norms. Hence, because of the particular nature of a relationship, shared values may not play as influential a role as it would in a partnership focused on developing trust and a shared culture.

For example, in episodic relationships, which are terminated after a specific period of time or after certain goals have been achieved (Halinen & Tathinen, 2002), shared values may not affect the level of dependence between firms. Therefore, shared values will not always influence the degree of dependence in a business relationship.

Shared values and commitment

The hypothesis (H12) that proposed there is a relationship between shared values and commitment is supported ($p < 0,05$). In addition, the original sample statistic is 0.428, indicating that shared values and commitment is positively correlated. Thus, the amount of shared values between firms can influence the level of commitment in a business relationship. This is in line with previous findings by several authors (e.g. Friman *et al.*, 2002; Zineldin & Jonsson, 2000; Morgan & Hunt, 1994; Abosag, Tynan & Lewis, 2006) who reported a positive relationship between shared values and commitment. According to the commitment-trust theory (Morgan & Hunt, 1994), shared values affect both trust and commitment. Shared values can act as a base for developing business relationships and usually entail values such as integrity, respect and trust – which have been identified as fundamental building blocks for commitment (Morgan & Hunt, 1994; Friman *et al.*, 2002; Zineldin & Jonsson, 2000). When a relationship is characterised by a substantial amount of shared values, partners usually have similar perspectives and are more likely to be compatible, which can, subsequently, encourage them to maintain the relationship because of its favourability. Thus, when a relationship is characterised by high levels of shared values, parties are prone to be more committed to their partners and the maintenance of their partnerships.

Opportunistic behaviour and functional conflict

The current study hypothesised that there is a relationship between opportunistic behaviour and functional conflict (H13). Results indicate that H13 is supported as it obtained a p-value of 0.045. Opportunistic behaviour and functional conflict are also negatively correlated as H13 has an original sample statistic of -0.153. These findings correspond with results found by Skarmeas (2006), who reported a negative relationship between opportunism and functional conflict. Opportunistic behaviour usually entails a lack of candour or honesty concerning transactions, and often includes guileful, self-interest seeking behaviour embodied in calculated efforts to mislead and confuse partners (Williamson, 1985). When a firm acts opportunistically, it may misrepresent information and material facts, evade obligations, fail to honour promises,

or demonstrate disregard for principles (Skaremas, 2006). This type of behaviour can generate feelings of tension and frustration, and it could also incite resentment and vindictiveness in partners – which is considered counterproductive to relationship development (Skaremas, 2006). Under circumstances characterised by opportunism, firms are often more likely to retaliate and engage in disagreements, rather than to work together to resolve relationship problems in a mutually beneficial way (Skaremas, 2006). Thus, high levels of opportunistic behaviour can decrease the degree of functional conflict in a business relationship.

Opportunistic behaviour and dysfunctional conflict

The hypothesis (H14) offered to investigate the relationship between opportunistic behaviour and dysfunctional conflict obtained a p-value of smaller than 0.05 and was therefore accepted. In addition, the original sample statistic produced a result of 0.363, which indicates that there is a positive relationship between opportunistic behaviour and dysfunctional conflict. Several authors suggest that, when opportunistic behaviours and attitudes surface within partnerships, it is more likely that parties might violate agreements and indulge in deceitful behaviour aimed at seeking self-interest (John, 1984; Williamson, 1975; Skaremas, 2006). When firms decide to act opportunistically, they may misrepresent information and material facts, evade obligations, fail to honour promises, as well as demonstrate no regard for principles (Skaremas, 2006). Consequently, opportunistic behaviour can result in tension and frustration, along with resentment and vindictiveness, which can lead to severe conflict and aggression. In other words, higher levels of opportunistic behaviour can increase the degree of dysfunctional conflict within a partnership.

Opportunistic behaviour and non-coercive power

The hypothesis (H15) presented to explore the relationship between opportunistic behaviour and non-coercive power is supported ($p < 0.05$), and the original sample statistic indicates that these constructs are positively correlated. Firms often engage in opportunistic behaviour in order to realise their own gains separately, or to advance their position through self-interest initiatives (Abosag *et al.*, 2016; Laan, Voordijk & Dewulf, 2011; Lai *et al.*, 2012). Non-coercive power is often related to collaborative relationship (Benton & Maloni, 2005), is exercised through a positive influence, and usually depicts that partnering firms treat each other like friends (Liu *et al.*, 2015; Jain *et al.*, 2014). However, firms may use positive and constructive means to influence or encourage their partners to act in a manner they would not have otherwise,

in order to achieve specific objectives, or to bring about certain changes that would benefit them separately. In other words, parties can use non-coercive forms of power to realise their self-interest. Thus, when firms start to act opportunistically, they may choose to pursue individual gains through the use of non-coercive power and, as a result, choose positive mechanisms (e.g. rewards) to influence their partners to submission.

Opportunistic behaviour and coercive power

The hypothesis (H16) that considered the relationship between opportunistic behaviour and coercive power is supported ($p < 0,05$). The original sample statistic also indicates that the relationship between opportunistic behaviour and coercive power is positive. This is consistent with existing literature that infers that opportunistic behaviour can result in the use of coercive power (Johnsen & Lacoste, 2016; Benton & Maloni, 2005; Leonidou *et al.*, 2008). Coercive power entails the use of harmful mechanisms in order to get partners to do something or act in a way they would not have otherwise (Leonidou *et al.*, 2008). As in the case of opportunistic behaviour and non-coercive power, when firms choose to pursue self-interest and want to realise their own gains separately, they might do whatever it takes – even if it hurts their partner's business and the relationship between them. Thus, when opportunistic behaviour arises in relationships, it may encourage partners to use coercive forms of power to obtain individual gains and objectives of self-interest.

Opportunistic behaviour and dependence

The current study also hypothesised that there is a relationship between opportunistic behaviour and dependence (H17). Results indicate that H17 obtained a p-value of 0.028 and an original sample statistic of 0.187. H17 is thus supported and findings show that there is a positive relationship between opportunistic behaviour and dependence. This corresponds with existing literature (e.g. Hawkins *et al.*, 2013; Hartmann & Herb, 2014), which infers that it is possible that opportunistic behaviour can influence the degree of dependence within a relationship. Firms might use their efforts to realise individual gains, or align the relationship with their self-interest – which, in turn, can influence the dependence level between partners. For instance, when a firm wants to control or exploit its partner's position (in terms of resources, networks or information), it might act opportunistically in order to obtain heavy resource ties and relational bonds to ensure that the partner becomes dependent and cannot function without their input in the relationship. In other words, opportunistic behaviour can allow for the development

of certain dependencies when firms establish heavy resource ties and close relations with partners in order to exploit the relationship for their own benefit and self-interest. Through opportunistic behaviours, parties can entrap others in relationships and consequently use them to better their position, as well as make it very difficult for their partners to operate without them, or to consider alternatives.

Opportunistic behaviour and commitment

The hypothesis (H18) offered to examine the effect of opportunistic behaviour on commitment within business relationship is not supported ($p < 0.05$). Although Morgan and Hunt (1994) inferred that opportunistic behaviour can reduce trust and commitment, it was found, in the specific context of the current study, that opportunistic behaviour does not impact on the level of commitment between parties. Anderson and Jap (2005), as well as Baker (2009), suggest that in close relationships characterised by high levels of trust, commitment and other positive relational drivers, firms may sometimes not realise that their partners are acting opportunistically as they are “blinded” by the positive feelings generated by the relationship. This can possibly explain why opportunistic behaviour does not always influence commitment, as firms might be unaware of their partners’ opportunistic behaviours and attitudes. On the other hand, it is also possible that firms might be aware of their partners’ opportunistic behaviours but choose to tolerate it and maintain the relationship due to a lack of available alternatives (Abosag *et al.*, 2016).

Uncertainty and functional conflict

The hypothesis (H19) proposed to investigate the relationship between uncertainty and functional conflict was not supported ($p > 0.05$). Although, in the specific context of the current study, uncertainty does not affect functional conflict, it is possible that uncertainty can result in constructive conflicting situations (Leonidas *et al.*, 2006). However, uncertainty is an ever-present component of relationships, and, even though it can directly cause conflict to arise, Leonidas *et al.* (2006) suggest that uncertainty is more likely to affect relationship quality which, if not managed appropriately in response to uncertainty, can over time result in conflict. Leonidas *et al.* (2006) also specifically found a negative relationship between uncertainty and important relationship drivers (i.e. adaptation, commitment, communication, cooperation, satisfaction, trust and understanding), which are often considered the fundamental building blocks of functional conflict. Johnson and Lacoste (2016) emphasise that for conflict to be

functional, there must be a certain level of trust and communication between firms in order to provide a base for understanding. Thus, it is possible that there is no direct association between uncertainty and functional conflict.

Uncertainty and dysfunctional conflict

The current study also hypothesised that there is a relationship between uncertainty and dysfunctional conflict (H20), but this obtained a p-value of 0.137 and is, therefore, not supported. In addition to the argument that there is no direct relationship between uncertainty and conflict, it is also possible that the unawareness of uncertainties could explain why no association was found between uncertainty and dysfunctional conflict in the current study. In some situations, parties might be oblivious to some uncertainties in their environment, which prohibits the onset of conflicting situations that can cause severe disagreements and frustration (Abosag *et al.*, 2016). As previously mentioned, uncertainty is also more likely to affect conflict indirectly through relationship quality. Leonidas *et al.* (2006) reported a negative relationship between uncertainty and various aspects of relationship quality (adaptation, commitment, communication, cooperation, satisfaction, trust and understanding) which, if not managed correctly, could result in dysfunctional conflict. In other words, uncertainty may not influence the onset of dysfunctional conflict directly, but it could potentially affect this through relationship quality.

Uncertainty and non-coercive power

The hypothesis (H21) presented to explore the relationship between uncertainty and non-coercive power is supported ($p < 0,05$). Additionally, the original sample statistic obtained a score of 0.193, indicating that there is a positive relationship between uncertainty and non-coercive power. These results are in line with previous findings by Ketchen and Hult (2007), that higher levels of uncertainty in a relationship could encourage parties to use their power in order to try and reduce these uncertainties. Contrastingly, in certain and stable relationships, parties are less likely to control their partners' behaviour (Ketchen & Hult 2007). Paulraj and Chen (2007) suggest, more specifically, that firms might use non-coercive forms of power to reduce uncertainties. When relationships are faced with internal and external uncertainties, parties might choose to influence, control or change their partners' behaviours in a positive way through the use of non-coercive power (Wang *et al.*, 2007). In other words, firms may be more prone to exert reward, expertise, reference or legitimate power in order to cope with relationship

uncertainties and increase information sharing (Leonidas *et al.*, 2006). Thus, it is possible that higher levels of uncertainty can encourage parties to exert non-coercive forms of power.

Uncertainty and coercive power

The hypothesis (H22) that investigates the relationship between uncertainty and coercive power is supported ($p < 0,05$). The original sample statistic of 0.225 confirms that there is a positive relationship between uncertainty and the use of coercive power in business relationships. As in the case of non-coercive power, existing literature suggests that firms might use power to reduce uncertainties that appear in their external and internal environments. From an economic perspective, parties can protect their interests by punishing their partners if they do not satisfy needs or do not act accordingly (Wang *et al.*, 2015). Chiang and Feng (2007) suggest that when uncertainties increase in a partnership, firms might be more inclined to use coercive power to control the behaviours of partners. Thus, firms may employ coercive forms of power in order to govern their relationship through times of uncertainty, or when faced with increased uncertainties in external and internal environments.

Uncertainty and dependence

The current study also hypothesised that there is a relationship between uncertainty and dependence (H23). According to the results derived from the data, H23 is not supported as it obtained a p-value of 0.339. Although the resource dependency theory emphasises that firms often form interdependent partnerships to deal with uncertainties (Pfeffer & Salancik, 2007; Wang *et al.*, 2015), in the specific context of this study the level of uncertainty does not seem to affect the degree of dependence between parties. Previous studies (e.g. Gao *et al.*, 2005; Buvik & Grønhaug, 2000; Fynes *et al.*, 2004) suggest that the extent to which parties are dependent on one another can influence the level of uncertainty that they face in a relationship. For example, Gao *et al.* (2005) found that buyer-perceived supplier dependence can reduce buyer uncertainty. Realising the relatively high bargaining power over the supplier and the ability to punish the supplier if it becomes opportunistic, the buyer could feel less worried about the performance of the supplier and its products (Gao *et al.*, 2005). Drawing from the aforementioned research, it is possible to infer that, in some circumstances, uncertainty does not affect the level of dependence as parties feel their combined effort and pooled resources might be enough to withstand both internal and external uncertainties that might arise. On the other hand, individual firms may already have certain protocols and processes in place to deal

with uncertainties on their own (Hibbard, Hogan & Smith, 2003; Boonyathan & Power, 2007; Huang, Yen & Liu, 2014; Ford & Mouzas, 2010), that it does not impact the dependencies that result from a relationship with another organisation.

Uncertainty and commitment

The hypothesis (H24) proposed to examine whether there is a relationship between uncertainty and commitment is not supported ($p > 0,05$). Several researchers (e.g. Kwon & Suh, 2004; Weigel, Brown & O’Riordan, 2011; Gao *et al.*, 2005) have explored the relationship between uncertainty and commitment – especially as an indirect effect through which uncertainty influences trust, which subsequently affects the level of commitment in a relationship. Gitiérrez *et al.* (2004) maintain that the reduction of fear and lack of confidence usually associated with uncertainty in a relationship, is often considered an important requisite for firms to commit to a partner. Thus, high levels of uncertainty can lead to parties being less willing to commit due to feelings of insecurity, doubt, or fear of erring (Gitiérrez *et al.*, 2004). However, the current study found no relationship between uncertainty and commitment. Abosag *et al.* (2016) refer to uncertainty as a natural component of business relationships, that will one way or another affect its dynamics and functionality. Firms usually accept that there will be uncertainties and choose to develop and maintain their relationships regardless of these uncertainties. In other words, although uncertainty may affect the relationship in terms of functionality and efficiency, it might not necessarily affect the level of commitment between parties. In some cases, commitment might stem primarily from partner-inherent qualities (e.g. trust, reciprocal norms, shared culture and integrity) and may not be as significantly influenced by environmental forces such as uncertainty (Anderson & Jap, 2005; Johnsen & Lacoste, 2016).

9.2.2 The relationship between behavioural outcomes and symptoms of dark side behaviour in business relationships

In this section, the results pertaining the linkages between behavioural outcomes (i.e. conflict, power, dependence and commitment) and symptoms of dark side behaviour (i.e. relational myopia, complacency, vulnerability and suspicion) are discussed.

Functional conflict and relational myopia

The hypothesis (H25) offered to investigate the relationship between functional conflict and relational myopia is not supported ($p > 0,05$). Thus, this study reports that functional conflict does not affect the onset of relational myopia in business relationships. Schwenk (1989) suggests that, when functional conflicts arise, there is constructive interaction between parties during which opinions and feelings are freely expressed. Consequently, it is possible that functional conflict could lead to careful consideration of alternatives and assumptions underlying decisions (Cosier & Schwenk, 1990). In other words, relational myopia could potentially be avoided when a relationship is characterised by high levels of functional conflict. However, functional conflict – which entails the challenging of ideas, beliefs and assumptions – can also have no impact on the appearance of relational myopia in a business relationship. Every partnership, at one point or another, experiences periods of functional conflict and many perceive it as an inherent component of business relationships. Functional conflict seemingly does not play as significant of a role in the onset of relational myopia as other key relational drivers (e.g. trust, satisfaction, performance, commitment, and reciprocal norms). Parties may consider functional conflict as a given, or even something stipulated in the relationship contract. Therefore, functional conflict may not specifically influence a firm's perspective regarding their relationship and its environmental forces.

Functional conflict and complacency

The current study hypothesised that there is a relationship between functional conflict and complacency (H26). This hypothesis is supported ($p < 0,05$) and the original sample statistic indicates that functional conflict and complacency are positively correlated. This is in line with inferences made in literature that suggest that, when relationship problems and issues are successfully resolved, parties might develop a sense of overconfidence (Pfajfar *et al.*, 2017), which can ultimately result in the onset of complacency. Jehn and Mannix (2001) maintain that functional conflict is often associated with positive outcomes – such as the identification and discussion of alternative perspectives, and the removal of impediments – in order to work effectively together. Consequently, because of high levels of functional conflict, parties may become overly confident in their partners' capacity to rectify issues within the relationship, as well as excessively reliant on current procedures to do so. Thus, complacency can emerge due to firms' over-confidence that relationship problems and issues will be resolved in a proven manner. In addition, the positive outcomes that accompany high levels of functional conflict

within a relationship (e.g. improved teamwork, enhanced collaboration, creative friction , etc.) can create the belief that current relationship dynamics will be efficient in the future and do not need to change. The positive effects of functional conflict can cause a complacent culture to surface in the relationship, as parties may be misguided into believing that the relationship will always be successful and therefore does not need to change.

Functional conflict and vulnerability

The hypothesis (H27) proposed to explore the relationship between functional conflict and vulnerability is supported ($p < 0,05$). In addition, the original sample statistic of -0.332 indicates that the relationship between these constructs is negatively correlated. Svensson (2004) suggests that vulnerability in a relationship can be influenced by the degree of dependence between firms, as well as by how much partners trust each other to act accordingly and make appropriate decisions. Functional conflict, however, has the capacity to strengthen relational bonds, improve the quality of connections and intensify interactions – which, in turn, can possibly reduce feelings of insecurity and vulnerability. Several authors (e.g. Jehn & Mannix, 2001; Pfajfar *et al.*, 2017; Johnsen & Lacoste, 2016) also infer that functional conflict can positively influence relationships, as it can enhance cooperation, stimulate idea generation, strengthen feelings of security, as well as increase the level of confidence between partners. Therefore, when a partnership is characterised by high levels of functional conflict, parties are less likely to feel vulnerable towards each other.

Functional conflict and suspicion

The current study hypothesised from literature that functional conflict can potentially influence the level of suspicion in a business relationship (H28). This hypothesis is supported as it obtained a p-value of 0.003. The original sample statistic, furthermore, shows that there is a negative relationship between functional conflict and suspicion. Anderson and Jap (2003) suggest that firms might experience a sense of increased vulnerability out of fear of being victimised by their business partners. This fear that others will act opportunistically, or foster negative intentions, can result in the onset of suspicion within relationships (Anderson & Jap, 2003). When parties can't resolve conflict functionally, they may experience lower levels of collaboration and cooperation (Jehn & Mannix, 2001), which can cause firms to become suspicious of their partners – especially when they don't understand certain behaviours or the intentions behind actions. On the other hand, functional conflict can reduce the onset of

suspicion within business relationships. Functional conflict can enhance understanding between partners concerning each other's needs and behaviours. It can also increase communication efficiency and how well partners work together (Johnsen & Lacoste, 2016; Pfajfar *et al.*, 2017). Subsequently, functional conflict can reduce suspicion as firms would be less likely to believe that their partners have ulterior motives or hidden agendas. Thus, based on existing literature and results obtained in the current study, it is clear that there is a negative relationship between functional conflict and suspicion.

Dysfunctional conflict and relational myopia

The hypothesis (H29) offered to explore the relationship between dysfunctional conflict and relational myopia is not supported ($p > 0,05$). Although it is possible that dysfunctional conflict can reduce the onset of relational myopia, it was found, in the particular context of the current study, that dysfunctional conflict does not influence the degree of myopic tendencies. Because dysfunctional conflict usually entails strong disagreements, underlying emotions and negative actions that create frustration and hostility between partners (Pfajfar *et al.*, 2017), it is more likely to lead to relationship termination than to affect the level of relational myopia. Unhealthy behaviours (i.e. friction, anger and tension) in interactions can disrupt operations and build mistrust (Skarmeas, 2006), which can subsequently encourage firms to end the relationship immediately rather than affect its view of the partnership. Additionally, a relationship can be characterised by high levels of trust, commitment and satisfaction, but still experience dysfunctional conflicts (Baker, 2009). While some parties might choose to terminate a relationship with high levels of dysfunctional conflict, others may be tolerant of dysfunctional behaviour – especially when many positive relationship outcomes are involved. In other words, it is possible that dysfunctional conflict does not affect the onset of relational myopia when conflicting situations do not impact on important relationship drivers (i.e. trust, commitment, satisfaction, etc.).

Dysfunctional conflict and complacency

The current study also hypothesised that there is a relationship between dysfunctional conflict and complacency (H30). This hypothesis, however, obtained a p-value of 0.983 and is thus not supported. Baker (2009) suggests that complacency can occur within business relationships because of strong relational foundations built, over time, on feelings of trust, commitment, satisfaction and loyalty. When a partnership becomes characterised by dysfunctional conflict,

parties are more likely to exhibit hostility towards one another (Pfajfar *et al.*, 2017), and may been more inclined to act in a way that can potentially damage their relationship and partner (Skarmeas, 2006). However, as in the case of relational myopia, it is possible that a strong relationship can be characterised by periods of dysfunctional conflict, which do not necessarily affect the operations of the relationship (Webb & Hogan, 2002). In other words, when a partnership becomes governed by a complacent culture, dysfunctional conflict may not affect the way business is conducted or the way that the relationship is established – especially if this culture emerged over time (Baker, 2009). Thus, although dysfunctional conflict may influence the level of complacency in some relationships, it can also have no effect in others. The current study found, in its specific context, that dysfunctional conflict does not impact on complacency within a business relationship.

Dysfunctional conflict and vulnerability

The hypothesis (H31) presented in this study in order to investigate the relationship between dysfunctional conflict and vulnerability is not supported ($p < 0,05$). Dysfunctional conflict often entails strong disagreements, underlying emotions, and negative actions that produce frustration and hostility between partners (Pfajfar *et al.*, 2017). Although it is possible that dysfunctional conflict can cause firms to feel vulnerable towards their partners, this study reports that dysfunctional conflict does not influence the onset of vulnerability in the current research context. Vulnerability is often considered to be an inherent attribute of relationships, which may be due to several factors (Svensson, 2004). For example, parties can start to feel vulnerable towards their partners when they are overly dependent on them or have built excessively close ties that leaves them feeling exposed. At the beginning of the relationship, parties usually accept these vulnerabilities, and some even try to reduce and manage relationship vulnerability through contractual agreements. In other words, vulnerability is something that seems to always reside under the surface of every relationship and can be managed through open communication and relational transparency (Svensson, 2002). Therefore, depending on relationship dynamics, dysfunctional conflict may not necessarily influence the onset of vulnerability in business relationships.

Dysfunctional conflict and suspicion

The current study hypothesised that there is a relationship between dysfunctional conflict and suspicion (H32). Results, however, indicate that H32 is not supported as it obtained a p-value

of 0.107. According to several authors (e.g. Baker, 2009; Pfajfar *et al.*, 2017; Skarmeas, 2006) dysfunctional conflict can result in decreased trust, commitment and loyalty – which, consequently, can cause the disintegration of relational bonds and increase opportunistic intentions. Dysfunctional conflict can potentially lead to the appearance of suspicion within a business relationship. However, in the specific context of the current study, no association was found between dysfunctional conflict and suspicion. As parties differ in terms of perspectives and values, they may also interpret situations differently. For example, some may find their partners' actions suspicious during times of conflict, while others may not. Just like vulnerability, suspicion is an inherent quality of relationships, and influenced by the parties' own interpretations of situations. Suspicion usually occurs when firms suspect their partners of acting with ulterior motives or hidden agendas (Hunter *et al.*, 2011). However, dysfunctional conflict does not necessarily entail opportunistic behaviour or hidden agendas. Therefore, dysfunctional conflict may not influence the onset of suspicion when parties are not interpreting their partners to be acting with hidden agendas or ulterior motives.

Non-coercive power and relational myopia

The current study hypothesised that there is a relationship between non-coercive power and relational myopia (H33). Results indicate that H33 is not supported as it obtained a p-value of 0.737. Based on previous studies relating non-coercive power and its effect on business relationships (e.g. Liu *et al.*, 2010; Luo *et al.*, 2011; Hald *et al.*, 2009), it is possible to infer that non-coercive power can result in relational myopia – especially when it positively affects important relationship building blocks such as trust and commitment. However, the current study found, in its specific context, that the use of non-coercive power does not influence the onset of relational myopia. A firm's use of non-coercive power for the purpose of getting a partner to act otherwise or bring about change, is usually only successful when the power base employed (i.e. expertise, reward, legitimate or information) can generate benefits for the latter. In other words, the power bases used to influence a counterparty's behaviours and decisions should be perceived as powerful enough to actually result in a change of behaviour or to have them act in a way they would not have otherwise. For example, reward power that offers incentives and relationship benefits may encourage parties to act in a certain manner. However, when partners perceive the measure employed to exercise non-coercive power with indifference, they might be less motivated to react to it. Thus, non-coercive power might not lead to relational myopia, as parties might not be motivated to respond to it as expected – which, in turn, can mean that non-coercive power may not influence the dynamics of the relationship.

Non-coercive power and complacency

The hypothesis (H34) offered to examine the relationship between non-coercive power and complacency is supported ($p < 0,05$). In addition, the original sample statistic indicates that there is a negative relationship between non-coercive power and complacency. Lund et al. (2015) maintain that complacency may surface when involved firms become excessively confident in their position in the relationship and overly attached to their partners because of past experiences and positive feelings. However, the use of non-coercive power can also result in increased communication and the sharing of information and knowledge (Jain *et al.*, 2014; Liu *et al.*, 2010). Increased information and knowledge sharing can result in the development of new ideas regarding how to conduct business, as well as how to govern the relationships (Jain *et al.*, 2014). Non-coercive power can also increase communication between partners, which would put them in a position to share their thoughts and ideas openly. Thus, although it is possible that the “good faith” and benevolent feelings that accompany non-coercive power can lead to complacency, the use of non-coercive power can also encourage better communication and increase information sharing, which can result in improvements in the relationship and the reduction of complacency.

Non-coercive power and vulnerability

The hypothesis (H35) presented to explore the association between non-coercive power and vulnerability is supported ($p < 0,05$). Additionally, the original sample statistic reflects a score of 0.279, which means non-coercive power and vulnerability are positively correlated. These findings agree with existing literature (e.g. Baker, 2009; Svensson, 2004; Jain *et al.*, 2014) that infers how the possible use of non-coercive power can result in behaviour that gives rise to feelings of vulnerability. The exercise of non-coercive power in business relationship can encourage the development of strong relational ties, drawing parties closer to one another. Baker (2009) found that, when firms form excessively close ties, they then expose more of themselves to their partners, and that they also invest more in the relationship. Consequently, when non-coercive power lead to the formation of close relationship ties between firms, it is possible that they may experience increased vulnerability. Similar to close personal relationships, in which individuals expose and share their deepest darkest secrets, leaving them vulnerable towards the actions and behaviour of their partner, business partners often experience something similar. In other words, the closer partners become, the more resources

and information they share – which, subsequently, make them more vulnerable. Thus, non-coercive power has the ability to influence the level of vulnerability within a partnership.

Non-coercive power and suspicion

This study also hypothesised that there is a relationship between non-coercive power and suspicion (H36). The results indicate a p-value of 0.001 and an original sample statistic of 0.313. Thus, H36 is supported and there is a positive relationship between non-coercive power and suspicion. These findings correspond with existing literature that suggests that non-coercive power can often be employed as a tool of manipulation and bribery. While non-coercive power is often associated with positive relationship outcomes (e.g. cooperation, satisfaction, trust, etc.), it can also be used to manipulate others and influence them to behave in a manner they would not have otherwise (Johnsen & Lacoste, 2016). McCormack and Levin (1990) refer to suspicion as a belief that certain messages (i.e. behaviours, decisions, and actions) produced in a particular setting by a specific party may be deceptive. More specifically, Fein et al. (1990) claim that suspicion within business partnerships generally entail uncertainty pertaining partners' motives, meaning that there is a lack of sureness and confidence concerning the intentions of partners. In the case of non-coercive power, when a firm exercises non-coercive power to change the direction of the relationship, or to influence another to act differently, parties might become suspicious of the motives underlying the exercise of non-coercive power (Abolhasanpour *et al.*, 2011). Therefore, coercive power can influence the onset of suspicion within a business partnership when the motives pertaining the use of certain power bases are unclear or unknown.

Coercive power and relational myopia

The hypothesis (H37) offered to examine the relationship between coercive power and relational myopia is not supported ($p > 0,05$). Although the previous research infers that coercive power has the capacity to cause relational myopia (e.g. Baker, 2009; Johnsen & Lacoste, 2016; Anderson & Jap, 2005), the current study found no correlation between these constructs. Several authors have explored the harmful impact of coercive power on business relationships, and most have reported a negative relationship between coercive power and constructive relationship outcomes such as satisfaction (Gelderman *et al.*, 2008; Leonidou *et al.*, 2008) and cooperation (Ferrer, Santa, Hyland & Bretherton, 2010). According to previous studies (e.g. Baker, 2009; Gelderman *et al.*, 2008; Abosag, 2016), it is possible – through the reduction of

important relationship drivers – that the onset of relational myopia can be hindered by coercive power. In other words, the aggression and tension that usually accompany coercive power, would encourage parties to remain vigilant of their relationship and its alternative options. However, it is also possible that partners may exercise coercive power through less obvious techniques such as suppression and manipulation (Leonidou *et al.*, 2008). It is possible that parties might use suppression and manipulation to force their partners to act in a way they would not have otherwise. In some cases, parties might be oblivious to suppressive behaviour and manipulation, which could prevent the use of coercive power from affecting relationship dynamics and the level of trust and commitment between parties. In other words, coercive power may not necessarily influence positive relationship drivers (e.g. trust, commitment, satisfaction, etc.), meaning it may not play a role in the onset of relational myopia within a business relationship.

Coercive power and complacency

The current study also hypothesised that there is a relationship between coercive power and complacency (H38). Results show that H38 obtained a p-value of 0.048 and an original sample statistic of 0.204, which indicates that the hypothesis is supported, and that the relevant constructs are positively correlated. Several authors (e.g. Abolhasanpour *et al.*, 2011; Johnsen & Lacoste, 2016; Leonidou *et al.*, 2008; Jain *et al.*, 2014) maintain that suppression is a key component of coercive power, which ultimately causes tension and frustration between partners. Jain *et al.* (2014) infer that, when powerful parties exercise coercive power in order to force their partners into acting in a certain way, they often use suppressive behaviours. For example, firms may use coercive power to force partners to utilise particular processes or conduct business in a specific way they deem favourable. Consequently, when firms force their partners into conforming and employing their desired methods of operation, relationship innovation may decrease, and current procedures will remain unchallenged. This lack of innovation and improvement of relationship dynamics and operations can result in the onset of complacency.

Coercive power and vulnerability

The hypothesis (H39) that considered the association between coercive power and vulnerability is not supported ($p > 0,05$). Although existing literature infers that coercive power can potentially lead to feelings of insecurity and vulnerability, the current study found no correlation between

coercive power and vulnerability within the given context. In order to feel exposed and vulnerable, a party must perceive another as a possible threat who might inflict harm if they chose to (Svensson, 2004). Thus, even when a party uses coercive power in order to influence partners, it might not necessarily result in vulnerability, as the more exposed a party may not perceive their partner's actions or behaviours as threatening. In other words, coercive power may not result in the onset of vulnerability within a business relationship due to partners' perception that the exercise of coercive power does not necessarily pose a threat.

Coercive power and suspicion

The hypothesis (H40) offered to explore the relationship between coercive power and suspicion is supported ($p < 0.05$). The original sample statistic also indicates that the correlation between coercive power and suspicion is positive. These results correspond with existing literature (e.g. Yeung *et al.*, 2009; Chung, 2012; Van Weele & Rozemeijer, 2001; Ireland & Webb, 2007; Hausman & Johnston, 2010) that suggest coercive power can result in the appearance of opportunistic behaviours and intentions, which subsequently can hinder cooperation, information sharing, and the development of trust and commitment within a relationship. Thus, when coercive power results in detrimental elements, which signifies that a relationship has potentially become opportunistic, parties might become fearful of being exploited by their partners. Vulnerable firms often experience a lack of confidence in their partner's credibility or feel that their partner is not interested in their wellbeing (Chung, 2012), which can consequently result in them becoming suspicious of their partner's behaviour and intentions. In addition, the opportunistic behaviour element underlying the use of coercive power, can result in lower levels of trust, commitment and transparency among parties. Hence, coercive power can lead to the weakening of relational bonds, the fear of opportunism, as well as a decline in information sharing, as parties are more inclined to be suspicious of their partners.

Dependence and relational myopia

The hypothesis (H41) offered to examine the relationship between dependence and relational myopia is supported ($p < 0.05$). The original sample statistic also indicates that the relationship between dependence and complacency is positively correlated. This corresponds with existing literature (see Zhang & Huo, 2013; Jiang *et al.*, 2012; Scheer, Miao & Palmatier, 2015; Schmitz *et al.*, 2016) that infer that dependence may positively influence several important relationship drivers (e.g. trust, commitment and reciprocal norms) – which, according to Baker (2009), can

subsequently lead to the emergence of relational myopia. Heavy dependence within a business relationship can signify that partners are highly cooperative and may have strong relational bonds and resource ties. Because of the positive outcomes generated through dependence, firms may become excessively reliant and overconfident with regards to their partnership with a specific party. Hence, due to this intense bond between parties, firms may adopt a myopic perspective regarding their relationship, how it is governed, as well as the environment in which it operates. Furthermore, several authors (e.g. Cox, Lonsdale, Watson & Qiao, 2003; Lonsdale, 2001; Narasimhan, Nair, Griffith, Arlbjorn & Bendoly, 2009; Harrison, Beatty, Reynolds & Noble, 2012) use the term “lock-in situation” parallel to dependence as they believe that high levels of dependence between parties can cause parties to adopt a narrow perspective regarding their relationship and environment. This is especially the case when dependence is asymmetric and the heavy dependence of one party on another causes the “weaker” party to become locked in their relationship (Narasimhan *et al.*, 2009). Thus, it is possible that higher levels of dependence (symmetric and asymmetric) can result in relational myopia, as partners might become so excessively entwined through relational bonds and resource ties, that they neglect alternatives and fail to recognise environmental change.

Dependence and complacency

The current study also hypothesised that there is a relationship between dependence and complacency (H42). Results obtained indicate that H42 is supported ($p\text{-value}=0.007$) and that there is a positive correlation between dependence and complacency. While some researchers (Andaleeb, 1992; Heide & John, 1990; Buchanan, 1992) suggest that dependence can result in positive outcomes (e.g. mutual adaptations, satisfaction and increased relational performance), others (e.g. Cox *et al.*, 2003; Harrison *et al.*, 2012; Schmitz *et al.*, 2016) emphasise the negative impact of dependence, such as the loss of strategic flexibility and an imbalance of power among partnering firms. On the one hand, heavy dependence can produce enhanced communication, information sharing and satisfaction in a relationship, which can allow complacency to arise since it usually surfaces when parties become overconfident in the future performance of their relationship based on past experiences and successes. On the other hand, high levels of dependence can also result in strategic inflexibility and an imbalance of power among parties, in which one party has more control over the relationship and its direction. Complacency can emerge when parties are unable, or unwilling, to bring about change to the relationship, or when one party mainly directs the way business is conducted. Thus, when a relationship is characterised by high levels of dependence, complacency can occur due to either the

overestimation of the relationship, or the strategic inflexibility to make adaptations and identify the need for change.

Dependence and vulnerability

The hypothesis (H43) is not supported ($p > 0,05$). Existing literature suggests that, the more dependent the involved parties are, the more of themselves they expose to one another – which can ultimately allow vulnerabilities to arise (e.g. Johnsen & Lacoste, 2016; Schmitz *et al.*, 2016; Harrison *et al.*, 2012). However, the current study found that the degree of dependence within a business relationship does not affect the level of vulnerability that parties experience. One possible explanation for this lack of association is that parties often accept and account for potential vulnerabilities that might arise in the relationship long before the development of dependencies (Buvik & Grønhaug, 2000). In other words, parties may experience feelings of insecurity and vulnerability at any point in their relationship, regardless of how dependent they are on their partners. Additionally, the form of dependence (i.e. asymmetric versus symmetric) may also influence the level of vulnerability within a partnership (Johnsen & Ford, 2002). For example, parties who are equally dependent on one another may not experience increased vulnerability due to dependencies, as their position in the relationship is symmetric in terms of investment. Furthermore, it is also possible that contractual agreements made before the establishment of the relationship can specifically protect firms from the negative outcomes of asymmetrical dependence, as well as reduce any vulnerabilities that might surface during the partnership. Thus, dependence may not necessarily influence the level of vulnerability experienced by parties in a relationship.

Dependence and suspicion

The hypothesis (H44) offered to examine the relationship between dependence and suspicion is not supported ($p > 0,05$). Partnerships are often considered ubiquitously opportunistic (Weide & Heide, 2000), which implies that suspicion is, and always will be, a part of business-to-business relationships (Baker, 2009). Several authors (e.g. Hawkins *et al.*, 2008; Dong, Liu, Yu & Zheng, 2015; Mysen *et al.*, 2011) acknowledge that when a relationship is characterised by heavy dependence, parties are more likely to foster opportunistic intentions and agendas – which, in turn, can cause partners to become suspicious. However, this study found that there is no relationship between dependence and suspicion in the current research context. As echoed by Weide and Heide (2000), suspicion is an inherent part of business partnerships and may be

influenced by various factors. Although existing literature supports the potential association between dependence and suspicion, it is possible that the level of dependence between parties has no effect on whether they become suspicious of their partner. The extent to which parties are dependent on each other may not affect the onset of suspicion, but the resulting behaviour that can potentially occur because of dependence may cause firms to become suspicious. Thus, the level of dependence itself may not directly result in suspicion. In addition, as suspicion is an inherent attribute of relationships, which surfaces every now and again when parties do not act accordingly, it is possible to infer that suspicion is always present to some extent and is not necessarily influenced by dependencies between firms.

Commitment and relational myopia

The current study also hypothesised that there is a relationship between commitment and relational myopia (H45). For this hypothesis a p-value smaller than 0,05 was observed and the original sample statistic was 0.58 – which indicates that H45 is supported as it confirms a significant positive relationship between commitment and relational myopia. This is in line with previous findings by Baker (2009), who reported that there is a positive relationship between commitment and relational myopia. Baker (2009) suggests that this association between commitment and relational myopia can be explained by the good feelings between partners that usually accompany the affective component of commitment. Affectively committed parties will most likely not seek ways to improve something they believe is already doing well. Thus, when firms neglect to critically evaluate their relationship because of the good feelings they associate with the partnership, they might become myopic and deem monitoring activities as unnecessary (Baker, 2009). Furthermore, normatively committed firms are committed to their relationships more out of a sense of duty than from positive effects of the relationship. If a firm is doing something out of a sense of obligation, they may lack the incentive to stay abreast on the details that govern relationships dynamics and its operating environment (Baker, 2009). In other words, when a relationship is characterised by high levels of commitment, relational myopia can occur as firms may “blindly” choose to maintain the relationship at all costs – even though more attractive alternatives may be available.

Commitment and complacency

The hypothesis (H46) that propose there is a relationship between commitment and complacency is supported ($p < 0.05$). However, according to the original sample statistic, the relationship between these constructs are negatively correlated. These findings correspond with

Baker's (2009) research, which found that highly committed relationships are prone to becoming complacent. The onset of complacency suggests a sort of comfort that may lead committed partners to the perpetual acceptance of the status quo (Baker, 2009). In other words, when firms experience positive feelings pertaining their relationship, they may not want to upset the relationship dynamic by challenging how things are done. Firms may be under the impression that the relationship is performing satisfactorily because of the positive feelings generated by it and they may therefore have confidence in how the relationship is set up and how it operates (Baker, 2009). Although this confidence can be beneficial for relationship development, over-confidence can become a problem when environmental changes emerge, and the relationship needs to adapt. For example, because of positive past experiences and satisfactory performance, a committed firm may develop such an attachment to their relational partner that they assume positive results to be a given and therefore do not recognise the need for change (Baker, 2009). However, this sort of mentality that a relationship will continue to produce desired results and does not need to change, can result in complacent behaviour.

Commitment and vulnerability

The hypothesis (H47) offered to investigate whether commitment can influence the onset of vulnerability is not supported ($p > 0,05$). Mesner and Stebe (2004) suggest that, the more committed firms become to one another, the more they expose themselves to their relational partner, which can lead to increased feelings of insecurity and vulnerability. However, in the specific context of the current study, no relationship was found between commitment and vulnerability. This is in line with previous findings by Baker (2009), who also reported no relationship between these constructs. Baker (2009) proposes that when partners become more committed to each other, they often fail to recognise their position in the relationship as vulnerable. Firms that recognise their vulnerability are less likely to be highly committed to their partners as vulnerability often generates feelings of anxiety and tension (Baker, 2009). In other words, parties who feel vulnerable towards their business partners are usually less capable of building commitment because of the negative feelings that accompany the recognition of vulnerability. Thus, commitment does not affect the level of vulnerability in a relationship – especially when parties are not aware of their vulnerable position, or when they choose to not become committed due to their initial perceived threat of vulnerability.

Commitment and suspicion

The hypothesis (H48) offered to examine the relationship between commitment and suspicion is not supported ($p > 0,05$). Baker (2009) found that committed firms might not necessarily feel vulnerable toward their partners but might become suspicious of their intentions and actions. This usually occurs because of events or issues that arose in the relationship and, although resolved, may leave parties suspicious their partners' actions and behaviours (Baker, 2009). However, the current study found that commitment does not affect suspicion. Similar to how parties may decide not to become committed to another due to vulnerability, it is possible that firms might refrain from becoming more committed than needed when they are suspicious of their partners. Additionally, when partners are excessively committed to one another and are confident in their partners' integrity and capabilities, they might not exhibit suspicious behaviour – even though they might have reason to be suspicious. In other words, parties may become blinded by high levels of commitment and subsequently oblivious to any wrongdoing of their partners, misguided by their belief that their partners will always act in the best interests of the relationship.

9.2.3 Additional results: Significant mediating effects

In addition to the discussion of the main study's results, some significant mediating effects were observed upon testing the conceptual model. In the following section, only the significant indirect effects are discussed in order to provide enhanced insight into the onset of specific dark side symptoms.

Trust, functional conflict and complacency

The current study found functional conflict to have a mediating effect on the relationship between trust and complacency ($p = 0.004$; $\beta = 0.123$). Baker (2009) reported a direct positive relationship between trust and complacency. The aforementioned author suggest that when parties form close relational bonds characterised by high levels of trust and commitment, parties often become “blinded” by the “good feelings” associated with the relationship and that they, subsequently, might neglect to identify the need for change. Anderson and Jap (2005) agree with Baker (2009) by inferring that excessive levels of trust can result in complacent behaviour within a relationship. When parties misguidedly believe that a previous desirable relationship performance will automatically result in future success, and that there is no need for relationship

improvement, there is a likelihood that the partnership might become governed by a complacent culture (Anderson & Jap, 2005; Baker, 2009). Hence, high levels of trust can result in the onset of complacency within a business relationship.

In addition, functional conflict can also explain why the level of trust can influence the degree of complacency. Several researchers (e.g. Morgan & Hunt, 1994; Mishra, 1996; Massey & Dawes, 2007; Morris & Cadogan, 2001) reported a positive relationship between trust and functional conflict. These aforementioned authors infer that sufficient trust can prevent a hasty or premature rupture in relationships (Morris & Cadogan, 2001), as well as foster the retainment of confidence in a partner's reliability and integrity – which can ultimately result in the inclination to appropriately resolve issues (Morgan & Hunt, 1994; Anderson & Jap, 2005). Thus, higher levels of trust between parties can lead to a higher degree of functional conflict as they may be more dedicated to resolving conflict in a manner that allows relationship development and positive outcomes.

When a trusting relationship fosters functional conflict, complacency may be more likely to emerge because of the good feelings and positive outcomes generated by functional conflict. In other words, when parties experience positive relationship outcomes due to functional conflict, they may become blinded by the favourable dynamism of the partnership and believe that the relationship will continue to be successful and that there is no need for change (Baker, 2009). Therefore, functional conflict can explain why there is a relationship between trust and complacency.

Trust, functional conflict and vulnerability

Results obtained in current study reflect a negative indirect effect between trust and vulnerability through functional conflict ($p=0.012$; $\beta=-0.103$). When a relationship is characterised by lower levels of trust, parties usually have less confidence in their partner's ability to satisfy needs and to act accordingly in order to achieve relationship objectives (Anderson & Narus, 1990; Moorman *et al.*, 1993; Abosag *et al.*, 2015). Anderson and Jap (2005) also infer that lower trust among parties can limit cooperation and collaboration, as well as lead to commitment issues. Consequently, lower levels of trust can allow parties to experience insecurity and vulnerability in their partnership as they not trust their partner to have their best interests at heart (Svensson, 2004). Hence, the level of trust in a relationship can affect the extent to which partners experience vulnerability.

Functional conflict can potentially explain this relationship between trust and vulnerability. As previously discussed, there is a positive relationship between trust and functional conflict, meaning that trust can encourage parties to resolve conflict in a constructive way that produces positive outcomes (Morgan & Hunt, 1994). However, the current study also reported a negative relationship between functional conflict and vulnerability, which indicates that when parties do not manage to resolve conflicting situations functionally, parties may experience heightened levels of insecurity and vulnerability (Svensson, 2004). In other words, low levels of trust can potentially increase feelings of vulnerability as parties might lack the capacity to solve problems and issues in a functional manner. Thus, functional conflict serves a mediator on the relationship between trust and vulnerability.

Trust, functional conflict and suspicion

The current study's generated results also indicate that there is a negative indirect effect between trust and suspicion through functional conflict ($p=0.038$; $\beta=-0.062$). According to the results of several studies (e.g. Morgan & Hunt, 1994; Svensson, 2001; Mukherjee & Nath, 2003; Zhou, Liao, Liu & Liao, 2017) that focused on trust in business relationships, it is evident that lower levels of trust can result in a lack of certainty regarding a partner's behaviour and intentions. In other words, when there is low trust between partners, firms are less likely to understand their partner's actions, nor to confidently rely on them – which, subsequently, can result in raising suspicion (Svensson, 2001; Svensson, 2002; Svensson, 2004). The degree of functional conflict within a relationship could possibly explain this negative indirect relationship between trust and suspicion.

Although several studies report a positive relationship between trust and functional conflict, the current study found that there is a negative correlation between functional conflict and suspicion. Thus, high levels of trust will result in lower levels of suspicion as sufficient trust between partners usually result in functional conflict. More specifically, when parties trust one another, they are more likely to resolve conflict constructively and in a way that produces relationship benefits – such as improved collaboration and cooperation, creative friction, enhanced communication, as well as increased knowledge sharing (Skarmeas, 2006). Consequently, because of these positive outcomes associated with functional conflict, parties are less likely to be suspicious of their partners. Therefore, because of functional conflict that result due to high trust between partners, the onset of suspicion within a business relationship is less likely to occur.

Trust, dependence and relational myopia

Based on the results obtained, there is a positive indirect effect between trust and relational myopia through dependence ($p=0.041$; $\beta=0.033$). Baker (2009) found that there is a positive relationship between trust and relational myopia. The “good feelings” often associated with high levels of trust can result in the adoption of a narrow perspective regarding the relationship and its environment (Baker, 2009). In other words, high levels of trust might result in overconfidence in relationship dynamics and the belief that partners will continue to be trustworthy in the future. Excessive trust can prevent firms from accurately and objectively evaluating their current relationship and other alternatives – which might actually be more desirable (Baker, 2009; Anderson & Jap, 2005).

The development of dependencies can possibly explain this relationship between trust and relational myopia. When a relationship is characterised by a higher level of trust, parties might be more inclined to rely on their partners and to invest in the relationship (Schmitz *et al.*, 2016), as well as more encouraged to share resources and information to obtain mutual goals and objectives (Morgan & Hunt, 1994). Hence, it is possible that sufficient trust can increase the degree of dependence between parties.

Furthermore, the current study found that there is a direct positive effect between dependence and relational myopia, which means that the more firms become reliant on each other to achieve certain goals and objectives, the higher the likelihood that they may become myopic in terms of the relationship, its environment and how it should be governed. Thus, relational myopia can occur within a partnership because of dependencies that accompany high levels of trust.

Trust, commitment and relational myopia

The current study found that commitment also acts as a mediator on the relationship between trust and relational myopia, and that there is a positive indirect effect between trust and relational myopia through commitment ($p=0$; $\beta=0.166$).

Baker (2009) reported a positive relationship between trust and relational myopia. As previously mentioned, when a partnership is characterised by high levels of trust, firms may become overconfident in their partner’s capacity to satisfy needs and act accordingly in order to achieve relationship goals and objectives. This overconfidence usually emerges due to “good feelings” associated with trusting relationships and the positive outcomes thereof (Anderson & Jap, 2005). However, as emphasised by Baker (2009), these good feelings can cause parties to

adopt a narrow perspective regarding their relationship, its environment and the way its managed.

The appearance of commitment, as a result of trust between partners, can possibly explain the positive correlation between trust and relational myopia. Commitment is defined as a firm's willingness and desire to maintain a relationship and make short-term sacrifices in order to do so (Anderson & Weitz, 1992). Thus, when commitment develops as a result of trust (see Svensson *et al.*, 2010; Human & Naudé, 2014; Hashim & Tan, 2015), relational myopia can appear because of a firm's willingness and desire to maintain the relationship at all costs. In other words, because of the positive impact of trust and commitment on a relationship, parties might want to maintain the relationship as they believe it will continue to be desirable in the future. Ultimately, they may adopt a narrow perspective pertaining their relationship and its environment, assuming the relationship is more favourable than alternative options. Therefore, relational myopia can occur due to excessive levels of commitment that emerge because of high levels of trust within a business relationship.

Trust, commitment and complacency

The current study's results reflect that there is a negative indirect effect between trust and complacency through commitment ($p=0.031$; $\beta=-0.051$). When a relationship is characterised by sufficient trust between partners, commitment will most likely develop – which implies that parties are willing to maintain the relationship by making short-term sacrifices (Anderson & Weitz, 1992) and forfeiting alternative options (Morgan & Hunt, 1994). In other words, trust can result in commitment, which can potentially influence the appearance of complacency within a business relationship.

According to several studies (e.g. Ng, Feldman & Lam, 2010; Heavey Simsek & Fox, 2015), commitment can motivate firms to maintain and develop their relationship by ensuring they remain innovative, as well as perceptive to changes in their environment. Consequently, commitment can possibly prevent the onset of complacency in relationships due to parties' desire to ensure the relationship remains desirable and functional in the future. Thus, high levels of trust can prevent the emergence of complacency in a relationship because of high levels of commitment, which may encourage parties to continue developing the relationship.

Shared values, functional conflict and complacency

Results obtained in the current study reflect that there is a positive indirect effect between shared values and complacency through functional conflict ($p=0.018$; $\beta=0.082$). Morgan and Hunt (1994) define shared values as the extent to which parties have beliefs in common about which behaviours, goals and policies are important or unimportant appropriate or inappropriate, and right or wrong. Thus, a relationship characterised by a substantial amount of shared values usually signal that partners have similar perspectives regarding the relationship, its environment and how it should be governed.

Similar mindsets and a shared culture within business relationships can result in higher levels of functional conflict as parties may be more inclined to manage and reduce conflict in a manner deemed mutually appropriate (Baker, 2009). In other words, because shared values can translate into higher compatibility between partners (Yandle & Blythe, 2000), partnering firms would be less likely to have intense disagreements and more prone to understand the rationalisation of differences that might emerge between them. Therefore, higher levels of shared values between parties can result a higher degree of functional conflict within the relationship.

Furthermore, functional conflict can possibly explain the relationship between shared values and complacency. Because of the positive outcomes and constructiveness often associated with functional conflict, which is in turn influenced by the amount of shared values, complacency might emerge within a partnership. Baker (2009) infers that complacency can stem from positive relationship experiences and high levels of favourability, which can be brought on by a high degree of functional conflict (Pfajfar *et al.*, 2017).

Hence, shared values can result in complacency due to the positive outcomes associated with functional conflict that manifests due to partners fostering similar perspectives about the relationship.

Shared values, functional conflict and vulnerability

The current study reports a negative indirect effect between shared values and vulnerability through functional conflict ($p=0.026$; $\beta=-0.069$). As previously mentioned, shared values can influence the level of functional conflict, as the degree to which partners have similar viewpoints about the relationship and its management can impact on their capacity to positively resolve conflict.

However, this study's results reflect that functional conflict can explain the negative relationship between shared values and vulnerability: When a relationship is characterised by a substantial amount of shared values, higher levels of functional conflict are more likely to result, which can subsequently lead to the reduction of vulnerability. Several authors (e.g. Jehn & Mannix, 2001; Pfajfar *et al.*, 2017; Johnsen & Lacoste, 2016) suggest that functional conflict can positively influence relationships, as it can enhance cooperation, stimulate idea generation, strengthen feelings of security, as well as increase the level of confidence of partners in one another. In other words, partnerships tend to be stronger and more efficient when characterised by functional conflict. Consequently, vulnerabilities and insecurities within a partnership are usually less, as functional conflict increases firms' confidence in their partners' integrity and capacity to satisfy needs.

Therefore, higher levels of shared values among parties can possibly reduce the onset of vulnerability, as partners who have similar values are more likely to resolve conflict effectively – which subsequently could reduce feelings of insecurity and vulnerability.

Shared values, non-coercive power and vulnerability

Based on generated results, the current study reports a positive indirect effect between shared values and vulnerability through non-coercive power ($p=0.034$; $\beta=0.054$). Baker (2009) infers that when a relationship is characterised by a substantial amount of shared values, partners are more likely to possess similar beliefs about what behaviours, goals and policies are important or unimportant, appropriate or inappropriate, and right or wrong. In other words, shared values can express the extent to which business partners might think in the same way or share similar beliefs regarding how they conduct themselves in their relationships (Baker, 2009). Shared values can generate closer relational ties, as well as enhance the level of trust and commitment between parties (Morgan & Hunt, 1994). Thus, it is possible that shared values can impact on vulnerability, as closer relational ties might lead to parties feeling overexposed.

However, the current study found that the use of non-coercive power could explain the relationship between shared values and vulnerability: Because of the close nature of a relationship characterised by high levels of shared values, parties may choose to use non-coercive power when they want to influence their partners' behaviours or decisions (Johnson & Lacoste, 2016). Shared values often lead to parties adopting similar outlooks concerning their relationship and how to conduct business (Baker, 2009). Therefore, powerful parties will be more inclined to use non-coercive measures, rather than an aggressive approach, in order to

achieve certain objectives. Furthermore, non-coercive power can enhance teamwork, as well as increase trust and commitment (Arend & Wisner, 2005; Jain *et al.*, 2014). Liu *et al.* (2010) maintain that non-coercive power can draw parties closer, as well as influence power dynamics within the relationship.

The use of non-coercive power, inspired by shared values, can therefore lead to parties feeling exposed and vulnerable because of the closeness of the relationship, along with the capacity to be influenced by trusted partners. Hence, when high levels of shared values encourage the use of non-coercive power to influence parties to act in a certain way, partners may start to feel highly dependent and exposed because of the closeness of the relationship – which, in turn, can leave them feeling vulnerable.

Shared values, non-coercive power and suspicion

The current study's results reflect a positive indirect effect between shared values and suspicion through non-coercive power ($p=0.034$; $\beta=0.06$). Baker (2009) investigated the association between shared values and suspicion but found that there is no relationship between these constructs.

This study, however, reports that the use of non-coercive power can possibly explain a positive indirect relationship between shared values and suspicion. As previously discussed, non-coercive power is more likely to be exercised when a relationship is characterised by sufficient shared values, since parties might feel more inclined to use positive measures to influence partners. However, although the partnership might comprise of close relational ties, sometimes the use of non-coercive power may result in suspicion (Johnsen & Lacoste, 2016). For example, when a powerful party uses non-coercive power to change the direction of the relationship, or to influence another to act differently, partners might become suspicious of the motives underlying the exercise of non-coercive power (Abolhasanpour *et al.*, 2011).

Therefore, the use of non-coercive power, which emerges due to shared values, can explain the onset of suspicion within business relationships.

Shared values, commitment and relational myopia

In addition to the positive direct relationship between shared values and commitment reported in the current study, results also show a positive indirect relationship between shared values and relational myopia through commitment ($p=0$; original $\beta=0.249$). Baker (2009) reported a

positive relationship between shared values and relational myopia, inferring that group think might occur due to high levels of shared values – which subsequently can lead to the onset of relational myopia. The current study, however, found that the development of commitment between parties can possibly explain this relationship between shared values and relational myopia. When a partnership is characterised by a substantial amount of shared values, parties are more likely to think similarly and to share perspectives regarding the relationship (Baker, 2009). Consequently, shared values can influence the development of commitment, which ultimately can result in the onset of relational myopia.

Positive feelings and beneficial outcomes often associated with commitment, can encourage, or “blind”, parties to maintain the relationship – even after it has become inefficient and no longer as profitable (Anderson & Jap, 2005). In other words, firms may become myopic in terms of their relationship because they believe the relationship to be as profitable and successful in the future as it had been in the past. According to Baker (2009), commitment can encourage parties to maintain their relationship, as well as enable them from objectively monitoring their partnership and its operating environment. Therefore, when high levels of shared values lead to the development of commitment, it is more likely that relational myopia may occur.

Shared values, commitment and complacency

Results obtained in the current study reflects that there is a negative indirect effect between shared values and complacency through commitment ($p=0.032$; $\beta=-0.076$). Baker (2009) explored the association between shared values and complacency but found no correlation between these constructs. This study, however, reports that the development of commitment can potentially explain the indirect relationship between shared values and complacency.

Several authors (e.g. Morgan & Hunt, 1994; Theron *et al.*, 2008; Phelps & Campbell, 2012) report a positive relationship between shared values and relationship commitment. Thus, when firms have similar perspectives and think similarly about their partnership, positive relationship benefits (e.g. cooperation, collaboration, communication, trust and reciprocal norms) are more likely to be generated. Furthermore, Kelman (1961) maintain that parties’ attitudes and behaviours are usually also influenced by the extent to which they have similar values. Complacency can occur when firms are excessively committed to one another, and they become unable to objectively evaluate their relationship. In other words, firms may become so

transfixed on the positive feelings generated by the partnership that they neglect to see the need to improve, or change (Baker, 2009).

Hence, the excessive development of commitment, due to a substantial amount of shared values between partners, can result in the onset of a complacent culture within business relationships.

Opportunistic behaviour, non-coercive power and complacency

Results obtained in this study indicate that there is a significant negative relationship between opportunistic behaviour and complacency through non-coercive power ($p=0.45$; $\beta=-0.069$). When parties act opportunistically, they tend to pursue self-interest over mutual interest, which can potentially lead to behaviours, attitudes and actions that can damage relationship dynamics, as well as leave parties vulnerable to exploitation and deceit (Anderson & Jap, 2005). Because complacency usually occurs due to overconfidence in current relationship dynamics and operations, as well as overreliance on previous successful ways of conducting business (Baker, 2009), opportunism has the capacity to disrupt the onset of complacency as it might change a partner's perception of the relationship, or prevent a complacency culture to govern the relationship.

The current study found that the use of non-coercive power can possibly explain this association between opportunistic behaviour and complacency. Firms may choose to use forms of non-coercive power (e.g. reward, expert, legitimate or information) in order to align the relationship's direction and their partner's behaviour with their own self-interest. Opportunistic parties may decide to influence, control, or change their partners' behaviours in a more positive way through the use of non-coercive power (Wang *et al.*, 2015). Consequently, the use of non-coercive power can reduce the likelihood of complacency as non-coercive power has the capacity to effect change in the relationship, its dynamics and direction as well as how it is governed (Gelderman *et al.*, 2008). Therefore, non-coercive power can explain the negative relationship between opportunistic behaviour and complacency.

Opportunistic behaviour, non-coercive power and vulnerability

A significant positive indirect effect was found between opportunistic behaviour and vulnerability through non-coercive power ($p=0.004$; $\beta=0.087$).

Non-coercive power has a mediating effect on the relationship between opportunistic behaviour and vulnerability. In a business-to-business context, opportunistic behaviour refers to a situation in which a firm realises its own gains separately (Conner & Prahalad, 1996), and as a result, individual needs are prioritised and pursued over mutual goals and objectives (Abosag *et al.*, 2016). Anderson and Jap (2005) maintain that opportunistic behaviour can result in behaviours, attitudes and actions that could not only damage relationship dynamics, but also leave parties vulnerable to exploitations and deceit. Thus, opportunistic behaviour can result in the onset of insecurities and vulnerabilities.

Results obtained in the current study show that non-coercive power can possibly explain this relationship between opportunistic behaviour and vulnerability. Non-coercive power is executed through a positive influence and can be used opportunistically to encourage partners to act in a way they would not have otherwise in order to achieve self-interest without causing frustration or tension. In other words, opportunistic firms may use non-coercive power in order to align their partner's behaviour and the direction of the relationship with their own self-interest. Furthermore, when parties use non-coercive power in order to achieve their self-interest, parties might feel more vulnerable towards their partners. In addition, the use of non-coercive power can promote cooperation and collaboration, as well as strengthen relational bonds (Arend & Wisner, 2005; Jain *et al.*, 2014; Dapiran *et al.*, 2003).

Thus, non-coercive power – even used in pursuit of self-interest – can draw parties closer to one another and, consequently, allow them to expose more of themselves, which, in turn, can result in higher levels of vulnerability.

Opportunistic behaviour, non-coercive power and suspicion

Based on results obtained in the current study, the relationship between opportunistic behaviour and suspicion is mediated by non-coercive power ($p=0.025$; $\beta=0.098$). When firms act opportunistically within a business relationship, parties are more likely to be suspicious of their partner's behaviour and intentions, as they believe there to be ulterior motives or hidden agendas beneath the surface of their partner's actions and decisions (Hunter *et al.*, 2011).

Non-coercive power can possibly explain the onset of suspicion due to opportunistic behaviour in business relationships. Johnsen and Lacoste (2016) claim that non-coercive power can be used to manipulate others and influence them to behave in a manner they would not have otherwise. Firms act opportunistically by using non-coercive power to influence their partner's behaviour in such a way that it promotes their own self-interest. Therefore, when a party uses

non-coercive power to change the direction of the relationship, or to influence another to act differently in pursuit of self-interest, partners might become suspicious of the motives underlying the exercise of non-coercive power (Abolhasanpour *et al.*, 2011).

In other words, parties might become increasingly suspicious of their partner's behaviour and intentions when they use non-coercive power in order to bring about change that majorly benefits one side of the partnership.

Uncertainty, non-coercive power and suspicion

The current study also found that non-coercive power has a mediating effect on the association between uncertainty and suspicion. Results show that there is a significant positive relationship between uncertainty, non-coercive power and suspicion ($p=0.047$; $\beta=0.06$).

According to literature, when there is uncertainty in a relationship, parties tend to be less certain of their partners' intentions, behaviours and actions (Eriksson & Sharma, 2003; Ketchen & Hult, 2007). Suspicion, on the other hand, has been defined as a dynamic, cognitive, effortful state in which a firm, because of uncertainty as to whether a partner may be concealing harmful or opportunistic intentions, engages in the active and thoughtful consideration of these motives and plausible casual explanations underlying partner behaviour (Hunter *et al.*, 2011).

While it is possible that uncertainty can directly affect suspicion (see Abosag *et al.*, 2016; Baker, 2009), the current study found that non-coercive power can potentially explain the relationship between uncertainty and suspicion. When a relationship becomes characterised by high levels of uncertainty, parties may use non-coercive power in order to get partners to act in a way they would not have otherwise, as they believe these "encouraged" actions and decisions will reduce uncertainties (Paulraj & Chen, 2007). Parties may be more prone to exert reward, expert, reference or legitimate power in order to cope with relationship uncertainties and increase information sharing (Leonidas *et al.*, 2006). However, the exercise of non-coercive power in order to reduce uncertainties can, in turn, trigger suspicion. Because opportunistic parties often use rewards to influence their partners to act in a way that benefits the self-interest of the initial firm (Anderson & Jap, 2005), partners may become suspicious when a relationship is characterised by high levels of non-coercive power. Hence, when a powerful party uses non-coercive power to reduce uncertainty in order to change the direction of the relationship, or influence another to act differently, partners might become suspicious of the motives underlying the exercise of non-coercive power (Abolhasanpour *et al.*, 2011). Therefore, the use of non-

coercive power can explain why uncertainty can result in suspicion within business relationships.

9.3 THEORETICAL AND MANAGERIAL IMPLICATIONS

The following section focuses on the theoretical and managerial implications of the current study. Theoretical implications are discussed in order to consider the alignment of the conceptual model with existing literature, and its potential to contribute to the understanding of business-to-business relationships. On the other hand, potential managerial implications are discussed in the hope of providing firms with knowledge and insight regarding the phenomenon of dark side behaviour in business relationships

9.3.1 Theoretical implications

Over the past decade, more and more research attention has been directed at investigating the downside of interfirm relationships (Abosag *et al.*, 2016). While several studies have already examined linkages between constructs included in the theoretical framework, the current study contributes to literature by, firstly, re-examining these previously researched relationships in a different setting and, secondly, exploring novel linkages between established constructs. For example, the current study explores the association between the selected behavioural outcomes and adopted symptoms of dark side behaviour – which have received very little attention since initially introduced by Baker (2009). This study also reconfigures and tests previously reported relationships between established constructs. For instance, many studies (e.g. Kang & Jindal, 2015; Cheng & Sheu, 2012; Claro, Vojnovskis & Ramos, 2018) have found that dysfunctional conflict can result in opportunism. The current study, however, explores opportunistic behaviour as a possible antecedent of dysfunctional conflict, instead of as an outcome thereof.

Although several studies (e.g. Baker, 2009; Anderson & Jap, 2005; Abosag *et al.*, 2016; Abosag *et al.*, 2015; Villena *et al.*, 2011; Miocevic, 2020; Nguyen *et al.*, 2015) have explored the phenomenon of dark side in business-to-business relationships, this study forms part of a very small body of research that provides empirically tested frameworks in order to explain the onset of dark side behaviour. Many authors have explored the effect of detrimental elements within business relationships and how they can potentially harm the dynamics, functionality and longevity of those relationships. For example, Bradford *et al.* (2004) found that dysfunctional conflict can impede on the processing of new information, as well as decrease communication

and cooperation within a business network. Similarly, Hausman and Johnson (2010) investigated the deterioration of partnerships and reported that coercive power can result in lower levels of trust and commitment. However, very few studies have examined how inherent and seemingly constructive components of relationships can lead to detrimental behaviour. One such example is that of Baker's (2009) research concerning the dark side of relationship marketing, in which he examines how positive relational drivers (i.e. trust, commitment, shared values and satisfaction) can result in potentially harmful behaviours.

Drawing from research studies that explore the effect of both positive and negative relational factors, the current study proposes and tests a distinctive theoretical model in order to explain how a partnership can, over time, become inefficient and undesirable due to inherent attributes and components that are natural to most relationships. The framework suggests that the selected relationship-shaping antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty) can result in particular "naturally occurring" behavioural outcomes (i.e. conflict, power, dependence and commitment), which consequently can lead to symptoms of dark side behaviour (i.e. relational myopia, complacency, vulnerability and suspicion).

Furthermore, quantitative research methods are employed to test the theoretical framework. The majority of studies that explore the phenomenon of dark side behaviour in business-to-business research are conceptual in nature, and generally do not provide direct empirical evidence as support. For example, Anderson and Jap (2005) discussed the dark side of close relationships through the examination of case studies, and Johnsen and Lacoste (2016) conducted a systematic review of literature to address several detrimental elements of business relationships. In the current study, however, structural equation modelling (i.e. PLS-SEM) is used to analyse data and test hypotheses. In addition to the assessment of measurement and structural models, a new procedure (i.e. PLSpredict) developed by Hair et al. (2019) is employed to determine the out-of-sample predictive power. This procedure was therefore used to determine the predictive accuracy of the conceptual model.

9.3.2 Managerial implications

The key objective concerning the managerial implications of the current study is to provide managers and top executives with knowledge and insight about the dark side of business-to-business relationships. Every company, at one point or another, engages in a partnership with another organisation (e.g. supplier, customer or buyer, service provider, collaborator, etc.) in order to achieve a specific goal. By understanding what drives a relationship's performance, as

well as what encourages dark side behaviour, firms can develop a dynamic capability to effectively manage their partnerships (Abosag *et al.*, 2016). Similar to how personal relationships can cause post-traumatic stress and other psychological harm in individuals, business relationships also have the capacity to hurt individual firms and leave them at a disadvantage. Therefore, by understanding the importance of continuously evaluating and monitoring business relationships, along with its operating environment, organisations can protect themselves from harmful situations and inefficiency, as well as better manage their partnerships (Abosag *et al.*, 2016).

The current study therefore aspires to provide companies with a framework that can help them understand how dark side behaviour can manifest in relationships, as well as to assist them with identifying seemingly natural and positive situations that have the potential, later on, to lead to the appearance of detrimental behaviour. More specifically, this study provides managers and executives with information regarding potential antecedents of dark side behaviour (i.e., trust, shared values, opportunistic behaviour and uncertainty), which if identified and managed early on in a partnership can contribute to reducing inherent detrimental business behaviour. For example, the management of opportunistic behaviour can prevent negative behavioural outcomes (e.g. dysfunctional conflict, coercive power and dependence). Furthermore, the framework presented in the current study can also provide managers with insights and knowledge needed to identify when a relationship has become inefficiency and undesirable. In other words, the emergence of certain behaviours and attitudes in a relationship can result in symptoms of dark side behaviour, which indicates that the relationship is not as functional as it once was. For example, when a business partnership becomes characterised by symptoms of dark side behaviour (i.e., relational myopia, complacency, vulnerability and suspicion), managers can use the framework presented in the current study to identify potential behaviours that allowed for the manifestation of the dark side. Thus, by providing firms with knowledge and insight about the onset of dark side behaviour, they can develop enhanced relationship management competencies, as well as make accurate strategic decisions concerning the future of their partnerships.

9.4 LIMITATIONS

Because of the specific research design and context, the current study is subject to certain limitations. In this section, these constraints or limitations are discussed in terms of characteristics pertaining to the design and methodology of the study – which could possibly

have influenced the interpretations of the results (Price & Murnan, 2004). Although a manifold of limitations can be discussed, the current section emphasises three overarching constraints that limit the current study, namely (1) a lack of prior research, (2) conceptual model design and (3) sampling method considerations.

9.3.1 Lack of prior research

The citation of previous research constitutes to the formation of a literature review and assists the current research in constructing a foundation for understanding the research problem, as well as the research objectives of the study (Price & Murnan, 2004). Although various studies (e.g. Abosag *et al.*, 2016; Anderson & Jap, 2005; Villena *et al.*, 2011) have explored the dark side of business relationships, very few have investigated the phenomenon in terms of antecedents, elements and consequences. The objective of the current study is to explore the onset and impact of dark side behaviour in partnerships through examining relationship dynamics and by identifying potential “symptoms” – which may indicate that the partnership has become dark.

While most of the selected antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty) and behavioural outcomes (i.e. conflict, power, dependence and commitment) have been thoroughly researched in the past, the identified symptoms of dark side behaviour (i.e. relational myopia, complacency, vulnerability and suspicion), as initially proposed by Baker (2009), lack prior research – especially in a business-to-business context. This lack of prior research can be perceived as a limitation as it hinders the theoretical development of certain constructs.

In addition, this study also examines new associations between well-researched constructs. Although some of the linkages – especially between antecedents and behavioural outcomes – have been examined priorly, others have yet to be investigated as conceptualised in the current study. The incorporation of novel constructs, along with the configuration of new relationships between well-researched constructs, could possibly limit the current study as there is a lack of prior research investigating the phenomena in the specific context of business-to-business relationships.

9.3.2 Conceptual model design

The conceptual model of the current study presents certain limitations to the exploration of the dark side of business relationships. Although there are several potential constructs that can be used to explain dark side behaviour in partnerships, the current study selected only those deemed most relevant according to recommendations throughout literature. Thus, it is plausible to infer that there are several other relational factors that can also be considered to be antecedents, elements or symptoms of dark side behaviour. The current study, however, only focuses on the constructs included in the model and the associations between them.

Furthermore, the conceptual framework is designed to emphasise the impact of dark side behaviour in business relationships, which is illustrated through proposed linkages between antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty), behavioural outcomes (i.e. conflict, power, dependence and commitment) and symptoms (i.e. relational myopia, complacency, vulnerability and suspicion) of dark side behaviour. Even though these linkages or associations were structured according to recommendations throughout literature, alternative formulations may exist that could also potentially explain the onset of detrimental behaviour in business partnerships. Hence, the current study's conceptual framework poses some limitations as it not an all-inclusive representation of all the possible factors that might influence the dark side of business relationships.

9.3.3 Sampling method considerations

Price and Murnan (2004) emphasise that sample size, along with the unit of analysis, can affect the generated results and conclusions of a study. For instance, if a sample is too small, it could be perceived as difficult to identify significant relationships from the data collected, as statistical tests usually require a larger sample size in order to ensure a reliable representation of the population (Price & Murnan, 2004). The current research's realised sample (n=212) is deemed as sufficient, as statistically significant relationships between variables were derived from generated results. However, according to Price and Murnan's (2004) inferences regarding sample sizes, it is possible that these findings could have differed if a larger sample had been analysed. Although the sample size was deemed sufficient for the purpose of this study, it is also characterised as a constraint of the current study as a larger sample size might have provided different results.

Li et al. (2019) suggest that sample plan considerations, such as industry and regional factors, can also impact research findings. The data was collected through questionnaires distributed to

managers and executives in South Africa, across various industries. In other words, convenience and snowball sampling were employed in order to gather data from respondents in South Africa – which consequently limits the study in terms of universal applicability. According to Zikmund et al. (2013), results and findings can differ when the regional areas covered in the sample frame are more diverse.

Furthermore, this study also adopted a non-industry specific approach to gathering data, as its objective is to examine the dark side behaviour in business-to-business relationships in general. However, it is perceivable that results and findings would have differed if the study focused on a specific industry. Hence, along with the size of the sample, the sample frame of the current study also presents certain limitations.

9.5 FUTURE RESEARCH AND RECOMMENDATIONS

As the phenomenon of dark side behaviour in business relationship still requires much research attention, the proceeding section focuses on possible future research avenues and recommendations. Besides the recommendation of retesting the conceptual model by using a larger sample and a more specific sample frame, future research can include:

- (1) the development of constructs identified as symptoms (i.e. relational myopia, complacency, vulnerability and suspicion),
- (2) alternative models to explain the manifestation of dark side behaviour, and
- (3) potential mediators and moderator that can influence the appearance of detrimental attitudes.

9.5.1 Development of symptoms of dark side behaviour in business relationships

Baker (2009) initially proposed the term symptoms to refer to certain harmful behaviours, attitudes and perceptions that arise because of detrimental factors in business relationships. He maintains that these symptoms can potentially serve as an indication that the partnership is no longer as desirable, functional or efficient as it once had been. This set of symptoms includes relational myopia, complacency vulnerability and suspicion. Although some of these constructs have to some extent been researched in a variety of disciplines (e.g. psychology, organisational behaviour, human resource management, and relationship marketing), very few studies have examined these symptoms in a business-to-business context. Thus, future research should be conducted towards theoretical development and empirical testing of these symptoms of dark side behaviour, as a gap exists in the literature concerning these constructs.

9.5.2 Alternative models

The current study investigates the associations between antecedents, behaviour outcomes and symptoms of the dark side of business relationship, which were identified and selected according to recommendations throughout the literature. Future research should aim to explore alternative models that can potentially explain the onset of dark side behaviour in business partnerships. Over recent years, the negative side of seemingly positive relational elements have received increased research attention (e.g. Anderson & Jap, 2005; Abosag *et al.*, 2015; Baker, 2009). This heightened interest in how positive relationship drivers can ultimately lead to detrimental behaviour, presents researchers with several opportunities for future research. Because of the complexity of business relationships, various frameworks should be explored in order to understand how, why and when the dark side occurs. Thus, alternative models that examine the dark side phenomena in business relationships should be considered and tested.

9.5.3 Potential moderators and mediators

The conceptual framework presented in the current study focuses mainly on examining the parallel relationship between antecedents and behavioural outcomes, as well as the direct association between the aforementioned behavioural outcomes and symptoms of dark side behaviour. Future research should aim to explore potential mediating and moderating variables that can contribute to a better understanding of dark side phenomena. As reported and discussed in Chapter 8, it is clear that mediation effects do exist and, thus, require more in-depth research. Mediation effects can offer more insight regarding the relationship between seemingly positive and inherent relationship attributes and intolerable negative behaviours and attitudes. Furthermore, future research should also strive to investigate various moderators that can explain why dark side behaviour transitions of tolerable to intolerable. Baker (2009), for example, examines the moderating effect of time on the relationship between relational constructs (i.e. trust, commitment, satisfaction and shared values) and symptoms of dark side behaviour (i.e. relational myopia, complacency, vulnerability and suspicion). Results indicate that, over time, specific relationship drivers can result in these abovementioned symptoms due to relational closeness of partners. Other authors (e.g. Lu, Plewa & Ho, 2016; Wallace, Hunt & Richards, 1999; Jarratt & O'Neill, 2002) suggest that organisational culture can also influence relationship dynamics and performance. Thus, based on recommendations made throughout literature, along with the findings obtained in this research, future studies should incorporate potential mediators and moderators of dark side business relationship behaviour.

9.6 CONCLUSION

The primary objective of this research was to investigate the dark side of business relationships by examining the association between antecedents and behavioural outcomes of dark side behaviour, as well as the relationship between these outcomes and symptoms that indicate partnerships have darkened due to the presence of detrimental elements. Significant correlations were found between antecedents (i.e. trust, shared values, opportunistic behaviour and uncertainty) and behavioural outcomes (i.e. conflict, power, dependence and commitment), and several hypotheses concerning the linkages between behavioural outcomes and dark side symptoms were supported. Therefore, the current study contributes to the literature and practice by offering insights into the dark side of business relationship, and how even seemingly well-functioning business partnerships can become characterised by detrimental behaviours and attitudes. Although there is no such thing as a perfect relationship, calculated efforts and continuous vigilance will not only protect individual parties from detriments, but also ensure the relationship remains desirable, functional and efficient.

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11. APPENDIX A



UNIVERSITEIT • STELLENBOSCH • UNIVERSITY
jou kennisvennoot • your knowledge partner

SURVEY: BUSINESS-TO-BUSINESS RELATIONSHIP BEHAVIOUR

Dear Respondent

My name is Nina Laubscher and I am currently conducting research in fulfilment of my master's degree at Stellenbosch University's Department of Business Management. I humbly ask that you participate in this research, as your knowledge and expertise will contribute to my understanding of business relationships.

I sincerely thank you in advance for your time and effort. Before you fill out the attached questionnaire, I ask that you please read through the following important information and sign the consent form.

1. PURPOSE OF THE STUDY

My thesis focuses on exploring the negative side of business relationships. I am investigating how certain negative aspects that usually appear in every relationship (e.g. conflict, uncertainty, excessive dependence and an imbalance of power), can potentially influence business relationships to become inefficient and/or undesirable.

2. WHAT WILL BE ASKED OF YOU?

If you agree to take part in this study, you will be asked to think of a particular business relationship between your company and a business partner (e.g. manufacturer, supplier, buyer, retailer, service provider, client organisation, etc.) which has been problematic in the past, or is currently challenging for your company to do business with. With this in mind, you will be asked to answer a series of questions based on your perception and experience. There are no right or wrong answers. I am only interested in your own views.

3. POSSIBLE RISKS AND DISCOMFORTS

As your safety and comfort is of utter importance to us, if at any moment you wish to withdraw from participating in the study, you may do so.

4. POSSIBLE BENEFITS TO PARTICIPANTS AND/OR TO THE SOCIETY

We hope that this research will be able to provide insight into how, why and when certain business relationships become negative. In addition, the current research also aims to provide managers with insight regarding why it is important to monitor certain behaviours of partner organisations, as well as what they should look out for when evaluating the desirability of current and potential business relationships.

5. PROTECTION OF YOUR INFORMATION, CONFIDENTIALITY, AND IDENTITY

As the protection of your identity and the information you provide during this study is of high priority to us, appropriate measures are in place to ensure complete anonymity and that any information provided will be safely guarded. Your answers provided in the questionnaire will be solely used for scientific purposes, and only my supervisor and I will have access to the data.

6. PARTICIPATION AND WITHDRAWAL

You can choose to participate in this study. If you agree to take part in this study, you may withdraw at any time without any consequence. You may also refuse to answer any questions you don't want to answer and still remain in the study.

7. RESEARCHERS' CONTACT INFORMATION

If you have any questions or concerns about this study, please feel free to contact me, Nina Laubscher (17624134@sun.ac.za) and/or my supervisor, Professor Gert Human (ghuman@sun.ac.za).

8. RIGHTS OF RESEARCH PARTICIPANTS

You may withdraw your consent at any time and discontinue participation without penalty. You are not waiving any legal claims, rights or remedies because of your participation in this research. If you have questions regarding your rights as a participant, contact Ms Maléne Fouché [mfouche@sun.ac.za; 021 808 4622] at the Division for Research Development at Stellenbosch University

DECLARATION OF CONSENT BY THE PARTICIPANT

As the participant I confirm that:

- I have read the above information and it is written in a language that I am comfortable with.
- I have had a chance to ask questions and all my questions have been answered.
- All issues related to privacy, and the confidentiality and use of the information I provide, have been explained.

By signing below, I _____ agree to take part in this research study, as conducted by Nina Laubscher.

Signature of Participant

Date

DECLARATION BY THE PRINCIPAL INVESTIGATOR

As the principal investigator, I hereby declare that the information contained in this document has been thoroughly explained to the participant. I also declare that the participant has been encouraged (and has been given ample time) to ask any questions. In addition, I would like to select the following option:

	The conversation with the participant was conducted in a language in which the participant is fluent.
	The conversation with the participant was conducted with the assistance of a translator (who has signed a non-disclosure agreement), and this “Consent Form” is available to the participant in a language in which the participant is fluent.

Signature of Principal Investigator

Date



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QUESTIONNAIRE

Please answer the following questions by selecting the most appropriate option.

FIRM CHARACTERISTICS	
Q1	How many employees do your company approximately have?
	10 or less
	11 – 25
	26 – 50
	51 – 250
	251 – 750
	751 – 5000
	5001 or above
Q2	What is the approximate age (in years) of your company?
	0 - <2
	2 - <5
	5 - <10
	10 - <20
	20 - <50
	50 or more
RESPONDENT CHARACTERISTICS	
Q3	How many years in total have you been employed by your company?
	0 - <2
	2 - <5
	5 - <10
	10 - <20
	20 or more

NOTE: When answering Q4 please write down your position in the company.

Q4	What is your current position in the company?	
Answer:		
Q5	Which of the following managerial levels best describe the level of your <u>current position</u>?	
Senior management		
Middle management		
Lower management		
Q6	How many years have you been employed in <u>your current position</u>?	
0 - <1		
2 - <5		
5 - <10		
10 or more		

SECTION B: RELATIONSHIP WITH A FOCAL BUSINESS PARTNER

IMPORTANT INSTRUCTIONS:		
When answering the following questions, we ask you to think of a particular business relationship between your company and a partner (e.g. manufacturer, supplier, buyer, retailer, service provider, client organisation, etc.) which has been problematic in the past, or is currently problematic.		
Q7	Which of the following are the main reasons for your problems with this relationship (select more than one option if needed)	
The partner doesn't deliver as promised		
The partner doesn't communicate enough with us		
The partner supports our competitors better than us		
Our personalities clashes		
If other, please specify		

Q8 What type of partner is in this problematic relationship?	
Supplier	
Buyer or customer	
Service provider	
Collaborator	
If other, please specify...	

IMPORTANT INSTRUCTIONS:
For the following questioning, please indicate on a scale from 1 (strongly disagree) to 7 (strongly agree) to which extent you agree with the following statements:

TRUST								
T1	This partner keeps the promises it makes to us.	1	2	3	4	5	6	7
T2	This partner is genuinely concerned that our business succeeds.	1	2	3	4	5	6	7
T3	This partner considers our welfare as well as its own when making important decisions.	1	2	3	4	5	6	7
T4	Our partner keeps our best interest in mind.	1	2	3	4	5	6	7

COMMITMENT								
C1	The relationship with this partner is something which we are very committed to.	1	2	3	4	5	6	7
C2	The relationship with this partner is very important to our business.	1	2	3	4	5	6	7
C3	The relationship with this partner is something our business intends to maintain.	1	2	3	4	5	6	7
C4	The relationship with this partner is something our business really cares about.	1	2	3	4	5	6	7

OPPORTUNISTIC BEHAVIOUR								
O1	Complete honesty does not pay off when dealing with this partner	1	2	3	4	5	6	7

O2	Sometimes this partner alters the facts slightly in order to get what they need.	1	2	3	4	5	6	7
O3	This partner sometimes promises to do things and then don't.	1	2	3	4	5	6	7
O4	This partner feels that it is appropriate to do anything within their means to help further their firm's own interest.	1	2	3	4	5	6	7

SHARED VALUES								
SV1	Our attachment to this partner is primarily based on the similarity of our company values.	1	2	3	4	5	6	7
SV2	Our company prefers working with this partner because of their specific set of values.	1	2	3	4	5	6	7
SV3	As our relationship progressed, our company's values have become more similar to this partner's values.	1	2	3	4	5	6	7
SV4	As our relationship progressed, our partner's values have become more similar to our firm's values.	1	2	3	4	5	6	7

RELATIONAL MYOPIA								
RM1	When it comes to our relationship with this partner we seldom find new ways of doing things.	1	2	3	4	5	6	7
RM2	The relationship we have with this partner has a long-term perspective.	1	2	3	4	5	6	7
RM3	When it comes to our relationship, this partner and us conduct business in the same way every time.	1	2	3	4	5	6	7

COMPLACENCY								
COM1	Our company is not concerned about future trouble we might have with this partner.	1	2	3	4	5	6	7
COM2	I do not believe our company will recognise the need to change anything in the relationship with this partner.	1	2	3	4	5	6	7
COM3	Our company does not continuously seek alternative business partners	1	2	3	4	5	6	7
COM4	I do not believe our company would pursue a better partner if one was available.	1	2	3	4	5	6	7

VULNERABILITY								
V1	This partner can act in a way that will hurt our company.	1	2	3	4	5	6	7
V2	This partner can get away with not doing what is expected of them in the relationship.	1	2	3	4	5	6	7
V3	We are not able to limit this partner's behaviour, even if it might hurt our business.	1	2	3	4	5	6	7

SUSPICION								
S1	I do not believe this partner always considers my company's best interest.	1	2	3	4	5	6	7
S2	I believe this partner, at times, acts in ways that could be harmful to our company.	1	2	3	4	5	6	7
S3	I believe this partner, at times, acts in ways that could be harmful to our business relationship.	1	2	3	4	5	6	7
S4	I believe this partner, at times, takes our partnership for granted.	1	2	3	4	5	6	7
S5	I believe this partner, at times uses our relationship against us for their own gain.	1	2	3	4	5	6	7

UNCERTAINTY								
U1	This partner is often surprised by our company's actions.	1	2	3	4	5	6	7
U2	There are many companies similar to this partner in the market that can fulfil our current partner's role.	1	2	3	4	5	6	7
U3	We are unsure whether this partner can adapt quickly, should our company have to make changes at short notice	1	2	3	4	5	6	7
U4	We cannot accurately predict the performance of this partner for the next business cycle.	1	2	3	4	5	6	7

DEPENDENCE								
D1	This partner would be difficult to replace with another company.	1	2	3	4	5	6	7
D2	This partner would be costly to lose.	1	2	3	4	5	6	7

D3	We would have to use a lot of resources and time to replace this partner.	1	2	3	4	5	6	7
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POWER								
NP1	This partner expects our compliance because they know that we appreciate and admire them.	1	2	3	4	5	6	7
NP2	This partner uses their unique competence to make our company accept their recommendations.	1	2	3	4	5	6	7
NP3	This partner withholds critical information concerning the relationship in order to better control our company.	1	2	3	4	5	6	7
NP4	Due to the power granted to them by the contract, this partner has the upper hand in the relationship.	1	2	3	4	5	6	7
CP1	If we fail to comply with this partner's requests, it results in financial and other penalties against our company.	1	2	3	4	5	6	7
CP2	If we fail to comply with this partner's requests, they threaten to withdraw from what they originally promised.	1	2	3	4	5	6	7
CP3	If we don't comply with this partner's demand, they withhold important support from our firm	1	2	3	4	5	6	7
CP4	In order to make us submit to their demands, this partner threatens to deal with other companies.	1	2	3	4	5	6	7

CONFLICT								
FC1	Disagreements with this partner is handled in a friendly manner.	1	2	3	4	5	6	7
FC2	Disagreements with this partner have improved our working relationship	1	2	3	4	5	6	7
FC3	Disagreements with this partner stimulate us to find productive solutions to our problems.	1	2	3	4	5	6	7

IMPORTANT INSTRUCTIONS:								
Please indicate on a scale from 1 (not at all) to 7 (very much) to what extent the following statements are applicable in regard to the relationship between your company and your problematic business partner.								

CONFLICT (CONTINUED)								
DC1	To what extent is friction present in your relationship with your partner?	1	2	3	4	5	6	7
DC2	How much anger is present in your relationship with partner?	1	2	3	4	5	6	7
DC3	To what extent are there opinion clashes in your relationship with your partner	1	2	3	4	5	6	7
DC4	To what extent are there emotional tensions in your relationship with your partner?	1	2	3	4	5	6	7

THE END

Thank you so much for taking the time and effort to participate in this study. Your participation and contribution of expertise and experience is greatly appreciated